

DAILY REPORT

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RENMIN RIBAO CARRIES ECONOMISTS' WORLD VIEWS

OW242026 Beijing XINHUA in English 1538 GMT 24 Dec 82

[Text] Beijing, December 24 (XINHUA) -- Written statements by noted Chinese economists on the international economic situation were published in PEOPLE'S DAILY today.

Qian Junrei, adviser of the Chinese Academy of Social Sciences, predicted that the economy of the developed Western capitalist countries will remain in a state of stagflation interwoven with economic crisis. The speed of growth will be limited, unemployment and inflation will continue to be grave and the economic pickup will be modest and shortlived. But, he said, the current economic crisis is not likely to become more serious than the Great Depression of the 1930s. On the other hand, he said, contradictions between the United States, the Western European countries and Japan will become more acute.

Qian Junrei said the Soviet Union and Eastern European countries, which are undergoing economic reforms, will continue to slow down the speed of their economic development and promote a steady growth. The Soviet Union will also step up its efforts to bridge its economic gap with the United States. Meanwhile, most developing countries, except a few oil exporting countries and new emerging countries which will witness a more speedy economic growth, will be affected by the world-wide depression and slip to an even worse economic condition.

Huan Xiang, another adviser of the Chinese Academy of Social Sciences, said 1983 and 1984 will be two critical years. If the governments of Western countries can adopt some urgent and effective measures, the current economic recession may cease to deteriorate for a while. After making a detailed analysis of some possible measures to be adopted by Western countries, he came to the conclusion that the economic situation in the West is not likely to turn for the better before the mid-80's; a modest pickup is possible in the latter half of the decade if proper policies are adopted and firmly implemented. However, a genuine "recovery" is out of the question.

Teng Weizao, president of Nankai University, wrote that the current economic crisis of the Western world, which started at the beginning of the 1980s, is continuing to deteriorate to an extent greater than previously expected. The stagflation in the developed countries has become aggravated since it surfaced in the early 70s.

Such a situation, he reasoned, finds expression in stagnant economic growth, sustained rise in the number of the unemployed and inflation alternated or accompanied by high interest rates which has hampered economic recovery.

He predicted that in 1983, most Western countries will face a long period of depression and an economic recovery is a long way off.

Luo Yuanzheng, research fellow of the Institute of World Economy and Politics of the Chinese Academy of Social Sciences, said that now it is not easy to find an oasis of economic prosperity and stability in the Western world. Gone are the days of the 50s and 60s when economies of the West grew at a high speed. Neither Keynesianism or monetarism, nor the theory of supplyside can now help much, he stated.

Mei Wenbin, deputy head of the Scientific Research Office of the Chinese Academy of Social Sciences, said that 1982 proved to be another difficult year for the Soviet economy. Official statistics indicate that many economic targets were not achieved.

He said the Soviet authorities used to blame objective factors for their economic failures. In recent years, however, Soviet leaders had to admit that subjective mistakes were behind the deterioration.

Lu Nanquan, associate research fellow of the Institute of Soviet and East European Studies under the Chinese Academy of Social Sciences, said the drop in the Soviet Union's economic growth, a trend which started in the 1970s, has become more obvious in recent years. He added that the over-extended capital construction which involved huge investments lent yielded poor economic results had adversely affected the overall economic development. The priority given to military industries when the economy was still curtailed by a backward agriculture and huge defence spendings that greatly surpassed the capabilities of the economy have blocked the structural readjustment for a balanced relationship among various economic sectors. Armament industries are evidently a hindrance to the Soviet economy. If this problem should remain unsolved, no rise in the country's growth rate can be expected in the remaining years of the 1980s, he noted.

Wu Jixian, professor of economics in Wuhan University, said that the economic crisis in the capitalist world inevitably has an impact on the Third World countries.

According to the statistics released by the United Nations and the International Monetary Fund (IMF), the world gross export value in 1981 declined 1.6 percent compared with that of 1980, of which the export of the developing countries to the developed countries fell by 5.8 percent in value. However, the export of the developed countries to the developing countries increased 5.2 percent, he said.

That shows, he added, the balance of import and export is unfavorable to the developing countries. This plunged the developing nations into great difficulties in their effort to achieve a balance of international payments.

JI PENGFEI MEETS SWISS, AFRICAN ENVOYS 23 DEC

OW232020 Beijing XINHUA in English 1532 GMT 23 Dec 82

[Text] Beijing, December 23 (XINHUA) -- State Councillor Ji Pengfei met here this afternoon on separate occasions with Hans Mueller, new Swiss ambassador to China, and Auguste Mboue, outgoing ambassador of the Central African Republic to China.

PRC TO STAGE FIRST INTERNATIONAL DEFENSE EXHIBIT

OW271642 Beijing XINHUA in English 1559 GMT 27 Dec 82

[Text] Beijing, December 27 (XINHUA) -- An international defence equipment exhibition, the first of its kind in China since 1949, will be staged in Shanghai next year, according to the organizers today.

The naval technology and shipboard electronic defence equipment show, the organizers said, will display armament systems, communications, command and control systems, naval aviation, subsurface technology, naval logistics, and other items.

Firms of the United Kingdom, Italy, France, Spain, West Germany and elsewhere will display their wares at the spacious Shanghai exhibition center July 18-22, announced Mr. Chak Dcen-fai, president of the Conmilit Press, Hong Kong, one of the organizers, at a New Year reception here this evening.

Officials from Chinese Foreign Ministry, Defence Ministry, the navy, the state shipbuilding corporation, and other related departments and units attended the reception together with military attaches from foreign embassies in Beijing.

The show is jointly sponsored by Commedia Associates Ltd/Conmilit Press, Hong Kong, and the editorial department of SHIP ENGINEERING under the Chinese Society of Naval Architecture and Marine Engineering.

WORLD BANK TO GRANT \$70 MILLION LOAN TO PRC

OW271305 Beijing XINHUA in English 1146 GMT 27 Dec 82

[Text] Beijing, December 27 (XINHUA) -- The World Bank will provide a loan of 70 million U.S. dollars to the Investment Bank of China according to an agreement reached between the two banks recently, XINHUA learned from the Investment Bank of China here today.

From these funds, the Investment Bank of China will make loans to domestic enterprises, mainly for revamping small and medium-sized factories.

The Investment Bank of China, set up a year ago, specializes in gathering funds from foreign banking circles for domestic construction and in handling investment loans.

The bank sees to it that feasibility studies are made for every project before the loan is made, so as to assure the best possible economic results.

FIRST PRC ENVOY TO U.S. ENDS TOUR, RETURNS HOME

OW280118 Beijing XINHUA in English 0104 GMT 28 Dec 82

[Text] Washington, December 27 (XINHUA) -- Chai Zemin, first ambassador of the People's Republic of China to the United States, left here for home today after finishing his four year and four month tenure.

Before his departure, the ambassador called on U.S. Vice President George Bush December 10 and Assistant to the President for National Security William Clark December 16. Later he met with Secretary of State George Shultz and Defence Secretary Caspar Weinberger.

Chai Zemin also met with former U.S. Presidents Richard Nixon and Gerald Ford, former Vice President Walter Mondale, former Secretaries of State Henry Kissinger and Cyrus Vance.

A farewell party in his honor was held in New York December 20 by Chinese compatriots from Taiwan.

Chai Zemin gave a farewell reception at the embassy December 17. Several hundred people from political, economic, cultural circles and ambassadors from various countries came to say good-bye to him. Among the guests were Defence Secretary Weinberger and former Secretary of State Henry Kissinger.

Ambassador and Mrs Chai were seen off at the airport by William Rope, representing the State Department, and many Chinese Americans, Minister Lin Chaonan and other officials of the Chinese Embassy.

Chai Zemin will stop over in San Francisco on his way home, where he will meet with many other friends there.

ECONOMIC RECESSION DAMPENS U.S. CHRISTMAS

OW290036 Beijing XINHUA Domestic Service in Chinese 1200 GMT 20 Dec 82

[Roundup report: "Christmas Eve Under the Shadow of Economic Recession" -- XINHUA headline]

[Text] Washington, 19 Dec (XINHUA) -- Christmas, the traditional Western festival, is due soon. In Washington D.C. a huge Christmas tree has already been erected in the White House courtyard, and the main entrances of the city's highrise buildings have been freshly decorated. On the street there are people dressed like Santa Claus. Hoping for Santa Claus's bounty and for better luck, some young people gladly spend a few bucks to have a picture taken with him. Commercials on Christmas gifts are vividly splashed across newspapers and on television screens. All this serves to remind people of this annual grand festival.

However, some Americans are busily looking for a job to make ends meet instead of preparing to celebrate the festival. On their faces one sees only worry, not joy for the coming of the festival. They are victims of the current economic recession in the United States. Instead of being favored by Santa Claus, they are confronted with the coldness of winter and with hunger.

The current recession -- the eighth since World War II -- started in August 1981 and has lasted over 16 months, with no signs of recovery in sight. Unemployment, created by the current economic recession, is growing day by day. The unemployment rate has grown from 7 percent before recession to 10.8 percent last November. The number of unemployed soared to 12 million from 7.5 million during the same period. Even President Reagan could not help lamenting that this is "a lingering tragedy."

This tragedy has lowered the living standards of many American people and boosted the number of poor. According to a publication by the United States Bureau of the Census, the number of poor living below the poverty line increased by 2 million in 1981 and is estimated to increase by another 4 million this year, adding to a total of over 35 million or 16 percent of the entire United States population. Among these poor 22 million have to rely on government food stamps to live. Over half those receiving government food stamps are children, old people and the disabled. Under the Reagan administration's economic policy of drastically slashing social welfare assistance, the interests of the poor are greatly impaired. The added requirement for food stamp application has disqualified some 1.5 million people from receiving them.

Some of the jobless, long unable to find a job and having spent all their savings and unemployment benefits, cannot pay the rent and therefore are forced to wander the streets destitute. On the streets of Washington D.C. one can see black people begging from pedestrians and old people, in ragged clothing, searching for food in garbage cans. One can see hoboes huddled in the corners of buildings. It is estimated that some 36,000 homeless people wander destitute on the streets of New York City. The estimated number of hoboes in Washington D.C. ranges from 5,000 to 10,000. These people find shelter in deserted houses, garages, toilets and wherever they can spend the cold nights. The situation in Detroit, the city of automobiles, is even more appalling. Mayor (Coleman Young) estimated that the city unemployment rate runs to 25 percent and that over 30 percent of the city dwellers are undernourished. He recently called on the governor of Michigan to declare Detroit a disaster area.

Whether in the ranks of the poor or of the unemployed, the highest proportion are found among black people. Making up only 12 percent of the total United States population, the number of black Americans living under the poverty line is 3 times higher than that of white Americans. In November, the unemployment rate for black Americans reached 20.2 percent, or twice that for white people. The unemployment rate for black youths even exceeds 50 percent. Besides, the overwhelming majority of 1.6 million "workers who have lost confidence" because of prolonged unemployment and who have given up looking for a job (they are not included in the unemployed total published by the U.S. administration) are mostly black Americans.

The lot of employed workers and staff is not easy either. They often have to worry that the misfortune of unemployment one day will befall them. Thus they have to pass their Christmas frugally. The consumption level for Americans this Christmas will be the lowest in the past 7 years, an American economics forecast organization predicts.

PRC FRIENDSHIP GROUPS NOTE USSR ANNIVERSARY

OW290957 Beijing in Russian to the USSR 1800 GMT 28 Dec 82

[Text] The Chinese People's Association for Friendship With Foreign Countries and the Sino-Soviet Friendship Society on 29 December sent a congratulatory telegram to the Union of Soviet Societies for Friendship and Cultural Relations With Foreign Countries and the Soviet-Chinese Friendship Society on the occasion of the 60th anniversary of formation of the Union of Soviet Socialist Republics.

The telegram says: On the occasion of the 60th anniversary of the formation of the USSR, the Chinese People's Association for Friendship With Foreign Countries and the Sino-Soviet Friendship Society send you and, through you, to the great peoples of the Soviet Union, ardent congratulations and good wishes.

We sincerely hope that through mutual efforts of the peoples of China and the Soviet Union the traditional friendship between the peoples of the two countries will continue to strengthen and develop. We wish the Soviet people happiness and new success in the cause of the construction of their country.

PRC-USSR INTERBANK AGREEMENT REPORTED SIGNED

LD241111 Moscow TASS in English 1015 GMT 24 Dec 82

[Text] Beijing, December 24, TASS -- Talks have been held here between the Bank of China and the Bank for Foreign Trade of the USSR. The talks resulted in the signing of an inter-bank agreement on the way accounts are to be settled in the border trade between the USSR and the PRC.

HO TAM SPIAKS AT BANQUET FOR CHINESE IN DPRK

OW291030 Beijing XINHUA in English 0730 GMT 29 Dec 82

[Text] Pyongyang, December 28 (XINHUA) -- The Korean Administration Council gave a New-Year banquet for the Chinese comrades here this evening. In a joyous mood, the Chinese and Korean comrades reviewed the victories of their common struggle and the friendship between the two countries and looked into the bright future.

Ho Tam, vice-premier and concurrently foreign minister of the Democratic People's Republic of Korea, made a speech, stressing that the comrades of the two countries should be comrades-in-arms. He said that the year of 1982 has been a historical period for the enhancement of the traditional friendship and solidarity between the two countries. It has witnessed a new turn in the growing militant friendship and revolutionary comradeship between the two peoples, he said.

In reply, Chinese Ambassador to Korea Zong Kewen said that in the new year, the friendly relations and cooperation between the two countries would surely be strengthened and the flowers of friendship between the two countries would blossom more magnificently. The banquet was held in the capital's cultural palace and attended by Korean leading figures and Chinese diplomats as well as Chinese engineers and technicians in Korea.

KIM TAE-CHUNG DEPARTURE TO U.S. REPORTED

SK250022 Beijing in Korean to Korea 1100 GMT 24 Dec

[Text] The South Korean patriotic democratic figure Kim Tae-chung left Kimpo Airport yesterday evening for the United States by airplane. The South Korean authorities did not permit supporters of Kim Tae-chung, who came out to the airport to see him off, to meet him. Kim Tae-chung's wife and son accompanied him to the United States. Stressing again that they were not leaving in accordance with their own will, Kim Tae-chung's wife said that she did not know when they would return.

In statements made public yesterday, eight organizations -- including the Committee To Rescue Kim Tae-Chung, made up of Koreans living in Japan -- noted that sending Kim Tae-chung to the United States is an act of forcible expulsion and a new act by South Korean authorities aimed at permanent elimination of Kim Tae-chung as a politician.

J. PANESSE WRITER VISITS BA JIN IN HOSPITAL

OW261002 Shanghai City Service in Mandarin 2300 GMT 24 Dec 82

[Text] On 24 December, Hiroshi Noma, chief of the Japanese writers delegation and famed contemporary novelist of Japan, visited Ba Jin, chairman of the Chinese Writers Association, who was recovering from a bone malady in a hospital. Ba Jin and Hiroshi Noma have been good friends for many years. Hiroshi Noma presented Ba Jin a bouquet and wished him health and longevity. Ba Jin urged Hiroshi Noma to take good care of his health too. He said: Chinese and Japanese writers should create more and better works for the cause of world peace and of people.

The four-member Japanese writers delegation arrived in Shanghai on 23 December.

SRV'S THACH CLAIMS PRC THREAT DURING INDIA VISIT

HK290544 Beijing RENMIN RIBAO in Chinese 25 Dec 82 p 6

["International Jottings" by Zhi Guang [1807 0342]: "Nothing But an Old Tune"]

[Text] Anti-China has become a personal talisman of the Hanoi authorities today. An example of this is the recent antics of Nguyen Co Thach, Vietnamese minister of foreign affairs, in New Delhi.

Nguyen Co Thach went to India with the motive to obstruct Prince Sihanouk, chairman of the Kampuchean Coalition Government, from attending the conference of nonaligned countries. He shouted himself blue in the face that there was a so-called "China threat," and took it a "reason" for refusing to withdraw Vietnamese troops from Kampuchea. Nguyen Co Thach has played this same old tune of "China threat" from Southeast Asia to New Delhi. Obviously, besides alleging it as a reason for Vietnam's aggression against Kampuchea, there is another purpose, that is, to sow dissension between China and India. In the eyes of the Vietnamese authorities, it is a good thing that Asia is in disorder and trouble, for they will be able to fish in troubled waters.

However, this is but a fond dream of Hanoi. Sino-Indian relations are improving day by day now. Yet, Nguyen Co Thach has tried to make New Delhi dance according to Hanoi's flute. Obviously, he is lacking self-knowledge and has forgotten the fact that it is not the Vietnamese who are the best snake charmers in the world.

AFGHAN AGENCY REPORTS SOVIET LOSSES IN DRA

OW280804 Beijing XINHUA in English 0734 GMT 28 Dec 82

[Text] Islamabad, December 27 (XINHUA) -- The Soviet armed forces lost about 10,583 officers and men along with 7,123 Karmal troops during the third year of the Soviet aggression against Afghanistan, according to a survey by the Agency Afghan Press today.

As many as 7,792 officers and men of the Afghan Government troops have joined the Afghan freedom-fighters during the third year.

The survey points out that the Soviet losses of war equipment has doubled in the year. Forty-three Soviet fighter planes and 46 helicopters were destroyed or damaged. A total of 874 trucks and oil tankers and 67 army jeeps were also destroyed or damaged.

According to the survey, over 50,000 Afghan civilians were killed, over 700,000 were forced to take refuge in Pakistan and about 100,000 emigrated to Iran this year.

CHEN MUHUA ATTENDS NEPALESE EMBASSY RECEPTION

OW281300 Beijing XINHUA in English 1242 GMT 28 Dec 82

[Text] Beijing, December 28 (XINHUA) -- Guna Shumshere Jung Bahadur Rana, Nepalese ambassador to China, and Mrs Rana gave a reception here this afternoon to celebrate the birthday of His Majesty King Birendra Bir Bikram Shah Dev of Nepal.

Among the guests were Chen Muhua, state councillor, Fu Hao, advisor to the Ministry of Foreign Affairs, and leading members of other government departments, the Beijing Municipality, the Chinese People's Association for Friendship With Foreign Countries and the Chinese Buddhist Association.

Diplomatic envoys of various countries to China were also present.

INDIA, PAKISTAN SET TO INCREASE COOPERATION

Joint Committee Slated

OW232046 Beijing XINHUA in English 1933 GMT 23 Dec 82

[Text] New Delhi, December 23 (XINHUA) -- India and Pakistan today agreed to set up a joint commission aimed at strengthening understanding and promoting cooperation between the two countries in the economic, trade and other fields. This was announced after the first day's talks between the officials of the two countries.

The agreement will be initialled tomorrow by M. Rasgotra, secretary of the Indian External Ministry, and N. Naik, secretary of the Pakistani Foreign Ministry, who are heads of the respective delegations.

A spokesman of the Indian External Ministry said the agreement will be signed by the two foreign ministers in Delhi in March when the Pakistani delegation is here for the seventh non-aligned summit. The spokesman said the agreement came as "result of very cordial and friendly discussions" between the officials of the two countries.

India and Pakistan also agreed today to exchange civilians of each country detained by the other.

Friendship Treaty Discussed

OW250019 Beijing XINHUA in English 1842 GMT 24 Dec 82

[Text] New Delhi, December 24 (XINHUA) -- India and Pakistan continued their talks today on the draft proposals of a friendship treaty and a non-aggression pact put forward by the two sides.

The talks were held between the two delegations led by Indian Foreign Secretary M. Rasgotra and Pakistan Foreign Secretary N.A. Naib respectively.

The two delegations had a "cordial and relaxed exchange of views," said an Indian spokesman at a joint press briefing after the talks.

There were areas of convergence between the drafts of the two countries, he said. "When we say we have noted areas of convergence, it is clear there are divergences also," he added.

He declined to reveal the areas of convergence and divergence, but noted that considerable progress had been achieved.

The Indian spokesman stressed that there was great cause for optimism that both sides had embarked upon an endeavor that would be brought to fruition.

"It was recognised that India and Pakistan are both non-aligned countries and responsible members of the international community, committed as much to the principles of peaceful co-existence, the renunciation of war, non-aggression and non-use of force and peaceful resolution of disputes, and to the building of confidence and mutual trust between their people," he added.

Referring to the question of acquisition of arms, a Pakistani spokesman said unilateral or reciprocal disarmament had never been used as a pre-condition for establishment of friendly relations between the two neighboring countries.

"We may have differences on this issue, but that does not mean we cannot continue the search to resolve our differences," he added.

The two sides agreed that this was only a preliminary exchange of views and that they would discuss further through diplomatic channels and meetings on the drafts.

PROSPECTS FOR PRC-EEC TRADE SEEN AS PROMISING

OW271313 Beijing XINHUA in English 1153 GMT 27 Dec 82

[Text] Beijing, December 27 (XINHUA) -- Prospects for expansion of China-European Economic Community (EEC) economic and trade relations are promising, says an article in the forthcoming issue of the bi-monthly CHINA'S FOREIGN TRADE.

Li Shude, writer of the article and an official of the Ministry of Foreign Economic Relations and Trade, said that development of economic and trade relations between China and the EEC has been gratifying on the whole. Trade volume rose to 5.24 billion U.S. dollars in 1981, accounting for 13 percent of China's total volume of foreign trade, from 2.4 billion U.S. dollars in 1975, the year trade relations between the two were established.

The EEC has become China's fourth biggest trading partner, and there is enormous potential for expanding bilateral trade, Li Shude said.

The EEC is also the second biggest supplier of machinery to China after Japan, Li Shude said. With China's readjustment and development of its national economy, the EEC will have more opportunities for exporting machinery and equipment.

A number of important contracts have been signed recently between the EEC and China and negotiations are under way for quite a few more projects.

Several EEC countries have recently provided various forms of preferential loans to China, including interest-free loans and low-interest loans. Some funds have also been given to China. All these have provided favorable conditions for boosting China-EEC economic cooperation, he noted.

The writer stressed that stable and friendly political relations between China and the EEC are an important guarantee for developing bilateral economic and trade ties. "We are willing to cooperate closely with the EEC countries in an effort to make new contributions to the development of China-EEC economic and trade relations," he said.

RENMIN RIBAO VIEWS WEST EUROPE IN 1982

HK280807 Beijing RENMIN RIBAO in Chinese 25 Dec 82 p 7

["Yearend Special Article" by Mei Er [2734 1422]: "Western Europe in 1982"]

[Text] The year of 1982 has been one of extreme difficulties for Western Europe.

This year, the most serious economic crisis since the great depression in the 1930's has constantly afflicted all of Western Europe and constitutes the major factor affecting its situation at home and in foreign affairs. The broad masses of the people are not satisfied with the existing situation and demand reforms. The political situation in various countries is extremely unstable. The economic contradiction between the West European countries and both the United States and Japan, and the differences between Europe and the United States on the question of East-West trade and the strategy toward the Soviet Union have become very acute. Various contradictions among member states of the EEC have added new obstacles to the unity of Western Europe.

I

The West European countries got bogged down in the current economic crisis in the late 1970's and early 1980's. Economic problems have become the most difficult problems confronting all countries. The chief features of the economic situation in Western Europe in the past year are: Although inflation has somewhat eased, industrial production continues to drop. Trade has remained at a standstill. Unemployment is more serious than ever before. The number of unemployed in the EEC now exceeds 10 million. Enterprises close one after another and deficits have risen sharply. What is more serious is that it has not been possible to shake off the crisis no matter which party is in power and no matter whether it pursues a tightening-up policy of reducing expenditure for social welfare and public services and reducing taxes, or whether it pursues an expanding policy of maintaining expenditure for social welfare and increasing investment by means of levying heavier taxes. Former West German Chancellor Helmut Schmidt, who is regarded in the West as being highly proficient in economics, was eventually compelled to leave his office because of economic problems. He said indignantly: "We never expected that things would develop in this way. This economic crisis is different from what is mentioned in traditional economic theories."

The sustained and worsening economic crisis in Western Europe has further stirred up the people's discontent and intensified various basic social contradictions. Contention among different parties and groups on economic problems is acute, causing greater instability in the political situation. This year, cabinet reshuffles have occurred frequently in the West European countries. Changes and reshuffles of government have taken place in West Germany, Denmark, Italy, the Netherlands, Sweden, Greece, Portugal and Spain. This is something rarely seen in the history of Western Europe since World War II. What attracted the people's attention most was changes in the political situation in West Germany. As a result of serious differences on economic problems within the joint cabinet of the Social Democratic Party and the Free Democratic Party, the government that had ruled for 13 years fell from power. After casting the "constructive no-confidence vote," the chancellor was replaced by Helmut Kohl, chairman of the Christian Democratic Union. Again, Kohl purposely made a failure of the no-confidence vote in the Parliament and it was decided that a general election would be carried out in March 1983. All this has seldom occurred in the history of West Germany and reflects one aspect of the acute contradictions.

II

Under the serious influence of the economic crisis and because of contention between the superpowers -- the Soviet Union and the United States -- the West European countries are striving to pursue a foreign policy characteristic of Western Europe in order to defend their economic interests and safeguard regional security. In the past year, this tendency toward independence has been very prominent, setting off serious disputes within the alliance of the United States and Western Europe. At the very beginning of this year, the iron and steel war between the United States and Western Europe broke out and this was followed by disputes over the export of agricultural produce. In addition, countries on the opposite sides of the Atlantic have argued for a long time over the question of selling natural gas pipeline equipment to the Soviet Union. This at one time turned the contradiction between Europe and the United States white-hot. Besides, they do not keep in step with each other and disagree with each other on a series of questions such as military strategy, East-West relations, nuclear talks and defense commitments. Although a summit of the seven Western nations was held in Versailles in June and this was followed by the NATO summit in an attempt to eliminate differences and ease contradictions, only temporary and no fundamental solutions were worked out.

The reasons for the changes in European-U.S. relations are chiefly as follows: The first is the change of the balance of economic strength between Europe and the United States. In 1979, the major economic indexes of the EEC exceeded those of the United States and the EEC became the most powerful international economic organization advocating an independent European policy.

Of course, this constitutes a serious challenge to the United States' leading position in the West. The hardline foreign policy of the Reagan administration is first directed at the Soviet Union but at the same time intended to reestablish its leading position in the Western Alliance. The second is that Western Europe largely depends on Third World countries for raw materials and also needs the markets in the Soviet Union and Eastern Europe. This is particularly true during an economic crisis. Therefore, the West European countries stress foreign policy dialogue and cooperation with the Third World countries and avoid provoking the Soviet Union too much. Western Europe needs the United States to contend with the Soviet Union but is afraid of excessive tension and hopes to ease relations with the Soviet Union. It regards this as an important policy in dealing with the superpowers and in giving play to its role independently. The third is that the United States has lost its superiority in strategic weapons, theater nuclear weapons and conventional weapons. Its view of preparing to fight a limited nuclear war makes Western Europe fear that it may become a testing ground for the nuclear weapons of the two superpowers. Western Europe's doubts and misgivings about the United States' determination to defend Western Europe are growing.

It is precisely because the United States and various Western European countries are in different situations and have different interests that make them adopt different foreign policies. In the future, the tendency toward independence in Western Europe will grow. This involves Western Europe's interests at present and is the logical outcome of changes in the balance of strength, particularly the weakening of the influence and control of the United States and the Soviet Union over international affairs. Of course, although endless contradictions and disputes exist between Europe and the United States and acute and complicated situations sometimes occur, they are forced to restrain themselves despite insolvable economic contradictions and make compromises in order to serve the needs of the overall strategy of dealing with the Soviet Union together since they share common basic interests and Western Europe needs the military protection of the United States. Since a new U.S. secretary of state and new Soviet leaders took office, a series of talks have been held between the United States and Europe to coordinate their work in various aspects and the rift between them resulting from various disputes within the alliance has substantially been healed, temporarily easing the contradictions.

III

This is the 25th year since the founding of the EEC. However, there has been no progress in unifying Europe for some time. In the past year, owing to unstable foreign exchange rates within the EEC, there have been slim hopes for the European currency system to enter its second stage. Talks concerning the admission of Spain and Portugal into the EEC have been suspended. Protectionism in trade within the EEC is gaining ground. Contradictions exist among member states in budget burden and prices of agricultural produce. All this has landed the EEC in a dilemma.

In the final analysis, the speed with which Western Europe unites depends on the economic situation in Western Europe. In the past 20 years or so, the progress in uniting Western Europe has been based on high economic growth rates. In the past few years, owing to sustained economic recession, national egoism is gaining ground within the EEC. Member states compete with one another in protecting themselves and have built various tariff barriers, intensifying internal conflicts. In addition, domestic political difficulties have narrowed the scope for compromise, thus hindering the unification of Western Europe. However, Soviet threats, intensifying contradictions between Europe and the United States and acute competition in the world's economic fields have compelled Western Europe to strengthen its unity. Only by uniting as one can Western Europe maintain its position and function in the world. Therefore, various European countries still desire to promote integration and look for ways to coordinate internal contradictions in order to deal with external pressure together.

As a result, despite acute internal disputes, the EEC has held timely and frequent talks on major international political problems such as conflicts in Poland, the Middle East and the Malvinas Islands and relations between Europe and the United States and between Europe and the Soviet Union. They are striving "to speak in one voice," have shown a common stand and have safeguarded unity to a certain degree. All this shows that the unification of Western Europe is progressing with twists and turns.

QIAO SHI MEETS FRENCH MARXIST-LENINIST CP GROUP

OW241016 Beijing XINHUA Domestic Service in Chinese 1726 GMT 23 Dec 82

[Text] Beijing, 23 Dec (XINHUA) -- Qiao Shi, alternate secretary of the Secretariat and director of the International Liaison Department of the CPC Central Committee, met with the delegation of the Central Committee of the French Marxist-Leninist Communist Party in Beijing on the evening of 23 December.

The delegation was composed of (Jacques Jurgai) and (Pierre Bobee), secretaries of the Secretariat and (Allain Castan), Political Bureau member, of the French Marxist-Leninist Communist Party. The two sides had a cordial and friendly talk.

Qiao Shi feted the French guests after the meeting. The delegation arrived in Beijing on the morning of 23 December for a visit at the invitation of the CPC Central Committee.

FRANCE CONFIRMS NUCLEAR COOPERATION WITH PRC

NC271226 Paris AFP in English 1218 GMT 27 Dec 82

[Text] Paris, Dec. 27 (AFP) -- The French Foreign Ministry today confirmed that France and China recently concluded a cooperation agreement in the nuclear power sector. The atomic energy commissions of the two countries concluded the agreement in November, a ministry spokesman said. The French Commissariat a L'Energie Atomique (CEA) said the deal was signed in Paris.

Earlier reports from Beijing said this first agreement of its kind between the two countries covered research and development on pressurized water reactors (PWR's) ranging in size from 300 to 900 megawatts. It provides for cooperation in the fields of reactor safety, sodium cooling technology, the geology and processing of uranium ore, and radioisotopes. The two countries are to run a joint cooperation programme in 1983-84, renewable by tacit agreement. Personnel training and exchange will be part of the programme.

SWEDEN DECIDES TO EXPEL TWO SOVIET DIPLOMATS

OW232048 Beijing XINHUA in English 1834 GMT 23 Dec 82

[Text] Stockholm, December 23 (XINHUA) -- Sweden decided to expel two Soviet diplomats accused of engaging in activities incompatible with their diplomatic status. The diplomats are Yury Averine [as received], consul in the western Swedish city of Gothenburg, and Piotr Skirokij [as received], assistant military attache at the Soviet Embassy to Sweden. The Foreign Ministry informed Boris Pankin, Soviet ambassador to Sweden, of the decision.

Another Soviet citizen in Sweden was also accused of spying. The three Soviets were charged with stealing industrial information. Sweden expelled a Soviet diplomat accused of engaging in "illegal activities" last April.

TASS CITED ON ANDROPOV-JARUZELSKI MEETING

OW232100 Beijing XINHUA in English 2030 GMT 23 Dec 82

[Text] Moscow, December 23 (XINHUA) -- Soviet Communist Party leader Yuriy Andropov met Polish leader Wojciech Jaruzelski today, the TASS news agency reported. They discussed major problems of cooperation between the two countries, TASS said.

The two sides expressed the resolve to "firmly rebuff attempts by the aggressive circles of the West" to interfere in the internal affairs of Poland.

Jaruzelski came here on December 20 for celebrations marking the 60th anniversary of the founding of the Soviet Union. This was the first official meeting between the two leaders since Andropov took office last month.

PAP REPORTS ON RELEASE OF MARTIAL LAW DETAINEES

OW240402 Beijing XINHUA in English 1650 GMT 23 Dec 82

[Text] Warsaw, December 23 (XINHUA) -- The Polish Ministry of Internal Affairs announced that all those detained during the state of seige period would be released before December 23, the POLISH PRESS AGENCY (PAP), reported late last night.

The announcement followed the suspension of the state of seige by the Polish Council of State as of December 31, 1982, and the December 18 decree of the Polish national assembly that all the specific law restrictions under the state of seige would be readjusted. The PAP report said all the detention centers in different parts of the country are now being demolished.

Under a decision endorsed by the Polish Military General Prosecutor's Office, it added, seven of the detainees are not included in the release list, for criminal suits have been brought against them. The seven have been members of the national committee and leaders of local chapters of the "Solidarity" trade union.

According to Polish Government spokesman Jerzy Urban, some 1,000 people had been detained by mid-November under the state of seige. Local public security authorities began releasing the detainees in late November. By mid-December, only over 200 people had to be discharged from detention. The Polish Council of State authorized the Supreme Prosecutor's Office and the Military General Prosecutor's Office on December 21 to handle the detention cases as quickly as possible with leniency.

ROMANIAN AMBASSADOR HOLDS PRESS CONFERENCE

OW280744 Beijing XINHUA in English 0736 GMT 28 Dec 82

[Text] Beijing, December 28 (XINHUA) -- Romanian Ambassador to China Florea Dumitrescu gave a press conference here today on the occasion of the 35th anniversary of the proclamation of Romania as a republic. The ambassador briefed Chinese journalists on the successes achieved by the Romanian people in various fields over the past 35 years.

ZHAO ZIYANG CONTINUES STATE VISIT IN MOROCCO

Tours Historic Sights

OW290410 Beijing XINHUA in English 0315 GMT 29 Dec 82

[Text] Rabat, December 28 (XINHUA) -- Visiting Chinese Premier Zhao Ziyang today toured Marrakech in the south and Tangier in the north and returned to Rabat tonight. He made the tour with his party in the company of Mohamed Kabbaj, Moroccan minister of equipment. He was greeted at the airport by Moroccan Prime Minister Maati Bouabid and Governor of Marrakech Mustapha Tarik and other dignitaries.

The premier then proceeded to the royal palace in Marrakech where he was received by King Hassan II. They held a conversation in a cordial and friendly atmosphere. Marrakech, built in 1062, was the capital of several Moroccan kingdoms and today is the country's third largest city and a famous scenic spot for tourists. King Hassan II often spends the winter at the Marrakech palace.

Following his meeting with King Hassan, Premier Zhao visited Tangier where he was met by Governor Driss el Fellah of Tangier Province at the airport. He then attended a banquet given by Governor Fellah at the Malabata Hotel. He also toured the city and some nearby places.

The mountain city of Tangier, a place where the Atlantic Ocean and the Mediterranean meet, is situated in the southern coast of the Strait of Gibraltar. It is known for its strategic importance.

Premier Zhao also drove to the northernmost Cap Malabata of Tangier where he looked across the straits at the southern Spanish coast.

Received by King Hassan

OW290316 Beijing XINHUA in English 0200 GMT 29 Dec 82

[Text] Rabat, December 28 (XINHUA) -- Premier Zhao Ziyang's African tour is most important and the African countries are willing to develop friendly relations with China, said King Hassan II here today. He made the remarks when receiving the visiting Chinese premier at the royal palace in Marrakech this afternoon. Premier Zhao arrived at Marrakech this morning for a brief visit.

King Hassan recalled the African tour of the late Premier Zhaou Enlai 19 years ago and the development of the long-standing friendly relations between the two countries. He noted that there are no problems in the relationship between the two countries, which share identical views on many problems. King Hassan and Premier Zhao exchanged views on the current international situation and major international issues of mutual concern.

Premier Zhao explained to King Hassan China's views on the current international situation. He reiterated China's support for the Palestinian and other Arab peoples and the Arab states in their struggle against Israeli aggression and expansion. China supports the Palestinian people's struggle for recovering their legitimate rights, including the right to return to their homeland and to establish their own state, and supports all Arab efforts for a just and rational solution of the Middle East question, he said.

Premier Zhao appreciated the Moroccan Government's contribution with regard to the Middle East question, particularly its contribution at the recent Arab Fez summit.

He said China will always belong to the Third World, and wishes to stand by Morocco, African and other Third World countries, and develop friendship and cooperation with them.

Premier Zhao renewed his invitation to King Hassan to visit China at an appropriate time. King Hassan accepted the invitation with pleasure and said he hoped to make the visit at an early date.

Zhao Ziyang reaffirmed China's independent foreign policy of opposition to hegemonism and defense of world peace. He said that China opposes anyone who seeks hegemony.

Present at the meeting were Chinese State Councillor Gu Mu and Foreign Minister Wu Xueqian. Moroccan Prince Heritier Sidi Mohamed, Prince Moulay Rashid, Prime Minister Maati Bouabid and Minister of State in Charge of Foreign Affairs M'Hamed Boucetta were also present on the occasion.

Editor Views Tour Importance

HK290226 Beijing BEIJING REVIEW in English No. 51, 20 Dec 82 p 3

["Notes From the Editor" column by international editor Mu Youlin: "Premier Zhao's African Tour"]

[Text] How do you assess the importance of Premier Zhao's current visit to Africa?

Premier Zhao's visit to 10 African states shortly after the party congress and the national people's congress testifies to the fact that the cornerstone of China's diplomacy is unity and co-operation with other Third World countries.

Both China and Africa suffered long years of oppression and exploitation by imperialism and colonialism. It was only after protracted liberation wars and other forms of struggle that they freed themselves from foreign yokes.

China, which has embarked on the road of socialism, is now devoting its main effort to a modernization programme, but still faces armed threats as well as interference from hegemonism. And the reunification of China will remain incomplete without Taiwan's return to its embrace.

Today, many African countries are energetically developing their national economies in order to consolidate their independence. North African states are engaged in a fierce struggle against Israeli aggression and expansionism and in defence of the rights of the Palestinians and other Arab people. Meanwhile, countries in black Africa are battling against South Africa's racism and for Namibian independence. Both Israel and South Africa are strongly backed by the United States. The increasing presence of the Soviet Union in Africa has further complicated the situation, intensifying hegemonist contention and creating more turmoil and unrest on the continent.

China and Africa, with common historical experiences and facing similar problems and tasks, have long-standing sympathy and support for each other. China has established diplomatic relations with 45 African states, and is generally seen as a genuine, trustworthy friend. Zhao Ziyang is the second Chinese premier to visit the continent (preceded by Zhou Enlai in 1963), and his tour is expected to bring China and Africa still closer and to enhance mutual trust and support.

China and Africa have cooperated for many years in economic and technical fields. China is willing to exchange experience in economic construction with African countries and to jointly explore new methods of co-operation. Possibilities exist in a wide range of fields such as technical services, skilled personnel training, joint ventures and co-operative production. It is hoped that on the basis of full equality, mutual assistance and mutual benefit, China and Africa will be able to blaze a trail for "South-South co-operation."

Undoubtedly, Premier Zhao's visit will go down as an important chapter in the annals of Sino-African friendship and will turn a new page in the history of co-operation among the Third World countries.

African Press Hails Zhao, Ties

OW281818 Beijing XINHUA in English 1101 GMT 28 Dec 82

[Text] Beijing, December 28 (XINHUA) -- The African press has printed more articles welcoming Chinese Premier Zhao Ziyang's current African tour and praising China-Africa friendship.

The Guinean HOROYA published four articles welcoming Premier Zhao's coming visit to Guinea. One article, entitled "Welcome to Premier Zhao Ziyang", says the premier's first official visit to Guinea will mark an important step forward in developing and consolidating Sino-Guinean friendship and cooperation.

The articles say leaders of the two countries will have fruitful talks and will open bright prospects for the two peoples.

Another article notes that Guinea was the first black African country that established diplomatic relations with China, and unity and cooperation between the two countries have developed continuously for the past 20 years and more.

In a December 26 article, the Zairean paper ELIMA points out that from the Chinese premier's visit to Africa the Third World countries can fully believe that China, though a developing country itself, sets a new example in fruitful cooperation as shown in the bilateral and multilateral agreements it has reached with African countries.

The Tanzania news agency yesterday published an article entitled "China, A Friend in Need". The article says "Since the triumph of China's revolution in 1949, ushering in the birth of the People's Republic of China, the Chinese people have identified themselves with the oppressed people of the world."

The article notes that "China's economic and material assistance is reputed for having no strings attached."

The article also says that Premier Zhao's visit to Tanzania will usher in a new stage of still closer relations between the two countries.

FURTHER DETAILS OF ZHAO'S MENA INTERVIEW

NC232013 Cairo MENA in Arabic 1920 GMT 23 Dec 82

[For a Beijing XINHUA report on the following interview, see the International Affairs section of the 27 December China DAILY REPORT, pp I 1-2]

[Text] Cairo, 23 Dec (MENA) -- PRC State Council Premier Zhao Ziyang has announced that there is much agreement and proximity of views between China and Egypt on many important international issues.

He affirmed that his country will pay much attention to the development of its economic relations with the countries of the Third World, especially its economic relations with Egypt.

This came in an exclusive interview which the Chinese premier granted to MENA on board the plane which took him back to Cairo at the conclusion of his visit to Luxor and Aswan.

The Chinese premier said that he is confident that the great Egyptian people under the wise leadership of President Mubarak and his government will accomplish great achievements that will bring prosperity to their country.

At the beginning of the interview, the Chinese premier replied to a question on the visit he made today to Luxor and Aswan and the Pharaonic antiquities and modern Egyptian achievements represented in the building of the High Dam, which he visited. He said: I would like to begin my statement by extending thanks for the cordial welcome accorded me by the residents of the two cities. This shows the cordial sentiments linking the Egyptian and Chinese peoples.

The Chinese premier added: I take this opportunity to express my great admiration for the magnificent ancient civilization I saw in Luxor. I also express my appreciation for the Egyptian will in building the High Dam, which is considered one of the most famous in the world.

The Chinese premier said that these achievements underline a fact, that is, the intelligence of the Egyptian people since thousands of years ago. They also reflect the splendid will of the Egyptian people.

He added: I am confident that the great Egyptian people under the leadership of His Excellency President Mubarak and the Egyptian Government will make greater achievements in building their country to achieve progress and prosperity.

Asked about the role the Chinese Government can play in overcoming some of the problems facing the Egyptian economy, to which President Mubarak is devoting special attention at this time, the Chinese premier said that China, Egypt, and the developing countries are all facing this joint task, which is to build their national economy and raise the standard of living of their people.

He added: I see in the Chinese people and the Egyptian people their capabilities and differences. We must cooperate with each other to complement each other and overcome any difficulties which face us. But we must first begin by searching for the means which will lead to the development of economic cooperation on the basis of equality and mutual benefit with a view to joint development.

He said: China will give much attention to the development of economic relations with the Third World countries and to the development of its economic relations with Egypt. I am confident that there will be a bright future seen in this sphere.

Asked to comment on the talks he held with President Mubarak and whether one can say that there was a proximity of views between Egypt and China on all matters raised during the discussions and whether there are some matters on which no agreement was reached, the Chinese premier said: I can say that there was much agreement and similarity of views between China and Egypt on many important international issues. But in view of the difference in conditions and experiences and the look at subjects from several angles, it is natural that not all views would agree with each other; but this should not mean that this would constitute an obstacle in the development of the Chinese-Egyptian relations, which are much more important than any other subjects, big or small.

LEBANON, ISRAEL OPEN TALKS ON TROOP WITHDRAWAL

OW281722 Beijing XINHUA in English 1647 GMT 28 Dec 82

[Text] Beirut, December 28 (XINHUA) -- Lebanon and Israel opened their first talks here today, with Lebanon insisting on a complete Israeli withdrawal from its territory and the Israelis aiming at a discussion of normal relations and security arrangements along the border first.

All the approaches to the venue, a beach hotel in Khaldah eight kms south of Beirut, were controlled by Israeli troops with armored cars and checkpoints. Lebanon's regular army and U.S. troops assigned to the multi-national peacekeeping force in Lebanon guarded the surrounding areas for security.

The talks were held between the Lebanese delegation led by legal advisory Antoine Fattal and the Israeli delegation led by Director General of the Foreign Ministry David Kimche. U.S. envoy Morris Draper, who headed a U.S. delegation, took part in the talks as a formal "partner". The delegates met at an opening session before going behind closed doors.

Lebanese Chief Delegate Antoine Fattal stressed in his opening statement that the Lebanese objectives are to seek the restoration of its sovereignty and full authority over the whole of its territory and the implementation of U.N. Resolutions No. 508 and No. 509, which call for an unconditional Israeli withdrawal from Lebanon.

Israel's Chief Delegate David Kimche tried to defend Tel Aviv's invasion and military presence. He alleged the June invasion was directed against "the terrorists," and insisted the talks should produce an "agreement which we believe will be a step away from the full, final formal peace treaty we would like to see come about."

Morris Draper, the U.S. negotiator, stressed firstly Israeli security and then turned to the restoration of Lebanese sovereignty. Calling for the withdrawal of foreign troops from Lebanon, he urged assurances to Israel that Lebanon will make a guarantee that its territory will not be used as a base against Israel.

The delegates also discussed in today's talks an agenda for the next meeting. Under an agreement, the talks will be held twice a week alternately at Khaldah and the northern Israeli border town of Qiryat Shemona.

An emergency committee headed by President Amin al-Jumayyil was formed earlier to direct the talks. The members of the committee include Prime Minister Shafiq al-Wazzan, Foreign Minister Elie Salim and coordinating officer for foreign troops' withdrawal Ghassan Tuani.

The daily AN NAHIR quoted today sources from the committee as saying that "the Lebanese walk to the conference table sincerely but the talks will be difficult and (?tough)."

CONGO PRIME MINISTER INSPECTS PRC-FINANCED PALACE

OW241232 Beijing XINHUA in English 1133 GMT 24 Dec 82

[Text] Brazzaville, December 23 (XINHUA) -- Congolese Prime Minister Sylvain Goma inspected here today the construction site of the Palace of the Congolese People being built with Chinese assistance.

During the inspection, the prime minister expressed satisfaction with the work of the engineers and technicians at the project. The construction site, he said, is a place where the two countries' engineers and technicians work together and learn from each other.

The construction, which started in August last year, is expected to be completed in July, 1984.

The palace covers a floor space of 30,000 square meters.

CULTURAL COOPERATION AGREEMENT WITH PDRY SIGNED

OW271240 Beijing XINHUA in English 1230 GMT 27 Dec 82

[Text] Beijing, December 27 XINHUA) -- An agreement on cultural cooperation between the People's Republic of China and the People's Democratic Republic of Yemen was signed here today. Zhu Muzhi, Chinese minister of culture, and Yasin Ahmed Salih, ambassador of Democratic Yemen, signed the agreement on behalf of their respective governments.

NAMIBIAN INDEPENDENCE NEGOTIATIONS ANALYZED

OW250029 Beijing XINHUA in English 1516 GMT 24 Dec 82

["Year-ender: Why Does Namibian Problem Remain Unsettled?" -- XINHUA headline]

[Text] Beijing, December 24 (XINHUA) -- The South African regime's attempt to continue its occupation of Namibia is the root cause of the failure of the negotiations on Namibian independence this year.

To maintain its colonialist interests, South Africa has been creating obstacles to the implementation of the U.N. Resolution 435 in 1978. For years, the South African authorities have raised unreasonable demands on the issues of partial troop withdrawal, the establishment of a demilitarized zone and the ownership of the Walvis Bay, which is vital to Pretoria's trade and exports.

In the fourth quarter last year, the five-nation Western contact group put forward a three-stage plan for the Namibian independence. After a series of consultations, South Africa, along with the South-West Africa People's Organization (SWAPO) and the frontline countries, accepted the plan in principle.

But the South African regime had no scruples to make new troubles. It proposed through the five Western nations unreasonable electoral rules such as "one person two ballots" and "one person two counts." The SWAPO and the frontline states strongly rejected the absurd proposal because it was clearly intended to benefit the puppet clique backed by South Africa.

During June and July this year, all parties to the Namibian independence issue, after a flurry of consultations, reached a compromise to put aside the election issue until after Namibia's independence.

But on the eve of the resumption of negotiations, the South African authorities raised new obstacles by dishing out a "simultaneous withdrawal" plan which links the Namibian independence with the withdrawal of the Cuban forces from Angola. South Africa has made the withdrawal of the Cuban forces a precondition for Namibia's independence.

The leaders of the front-line countries have held several summit meetings since July. They stressed the process of Namibian decolonization should be dealt with apart from the Cuban troops withdrawal and that South Africa's "simultaneous withdrawal" plan not only violates the Resolution 435 of the U.N. Security Council but also is blocking the process of negotiations on the independence of Namibia.

During the year, South Africa, proceeding from its position of strength, invaded Angola, Mozambique and Zambia in an attempt to prevent African independent countries from aiding the liberation movements in southern Africa.

It should be pointed out that this arrogant South African stand is aided and abetted by the United States. The U.S. Government, out of consideration of its global strategy, has long tried to make use of the South African forces to curb the expansion of the Soviet Union and Cuba in the region.

The United States voted against nine of the 10 U.N. resolutions condemning the South African regime. This has once more exposed Washington's partiality for and connivance at the racist South African regime.

Nevertheless, no force on earth can prevent Namibia from gaining independence, which enjoys the support of the whole world. Whoever attempts to impede Namibia's independence will land himself in greater isolation and suffer a more dismal defeat.

PROGRESS OF AFRICAN ECONOMIES ASSESSED

OW251532 Beijing XINHUA in English 1505 GMT 25 Dec 82

[Text] Beijing, December 25 (XINHUA) -- African countries have made remarkable progress in economic adjustment in order to improve their economy. In recent years, a large number of African countries, seriously affected by the economic crisis in the West, have adjusted their economic policy, searched for a new economic development strategy in the light of their concrete national conditions, and strengthened bilateral and regional economic relations. At the same time, they have been striving to achieve economic independence and establish a new international economic order. All this has borne fruit.

For this purpose, a series of measures have been taken by African countries. On the basis of summing up experience in measures of nationalization and other economic reforms, they are devoting efforts to reorganizing enterprises and giving full play to the initiative of various economic sectors.

The drastic measure of nationalization introduced in Congo several years ago had led to chaos in business management, decline in production, and serious financial deficits. Large numbers of enterprises had to rely on state subsidy. To change the situation, the Congolese Government has reorganized over 60 state enterprises in accordance with a new law on state enterprises. Mixed committees formed by Congolese cadres and foreign experts have been set up to improve management and increase production. Production in these enterprises has steadily risen and some have profits.

Algeria has laid emphasis on specialization in various trades. The government has readjusted about 30 state enterprises in which technicians are playing an important role. In reorganizing its enterprises, Togo has shut down some that have operated at losses, turned some others into privately-owned ones and concentrated new investments on those departments with the best economic results.

Zaire has turned 37 state-run enterprises into private ones. Some African countries have paid attention to the development of medium-sized and small projects and accordingly achieved better economic results.

Some African countries have pursued an open-door policy, made good use of foreign capital in various important projects and imported technology and equipment. This year Zimbabwe has introduced an investment policy to encourage more foreign investment in the country. Congo has amended its investment policy with a view to ensuring the safety and interests of foreign investment while advocating the development of local private enterprises. Many African nations have also made efforts to reform their economic structure, and give priority to the development of agriculture, in particular, to strive for self-sufficiency in grain.

Food shortage has become acute in Africa since the 1970s. In 1980, Africa imported 18.5 million tonnes of grain at the cost of more than six billion dollars. Many African countries have attached importance to grain production.

Ivory Coast the largest cocoa producer in the world, has carried out a nationwide agricultural campaign to increase grain production and strive for self-sufficiency.

Nigeria, a major oil producing nation in Africa, has made heavy investment in industrial development with its large income from oil. But, there was grain shortage in the country. Now, Nigeria has adjusted its strategy and begun to develop agriculture. It is determined to reach the target of self-sufficiency set by the "green revolution."

Senegal is a major peanut grower. It has adopted various agricultural policies in recent years. In 1981 and 1982, it reaped good harvests and the economic situation there has turned to the better.

The Moroccan Government this year has adopted a number of urgent measures to promote agricultural production. Tractors were sent to the countryside to help farmers in land cultivation and sowing. Agricultural taxes were cancelled; seeds and fertilizer supply was secured; agricultural loans increased and imported goods for agricultural use were exempt from taxation. As a result, the country's grain output this year reached five million tons, a great increase over last year.

Uganda, which was threatened by a nation-wide famine a few years ago because of political turmoil and a catastrophic drought, has reaped bumper harvests for two consecutive years. The country is again able to export grain and other agricultural products. Cameroon and Togo have also become self-sufficient in grain, thanks to effective measures to rouse the enthusiasm of the farmers.

These facts have proved that the African countries can attain self-sufficiency in grain by their own efforts. While trying to adjust their own economy and develop economic relations with developed countries, the African countries are also promoting regional cooperation in order to replace the old international economic order with a just and equitable new order by concerted efforts.

The Economic Community of West African States (ECOWAS) formed by 16 countries is an example of comprehensive multilateral cooperation in Africa. At a summit conference last May, the heads of state of ECOWAS countries decided to establish development and energy funds according to the needs of member states and, set a regional strategy for agricultural development for self-sufficiency in grain within the next five years. The number of countries in the preferential trade area for eastern and southern Africa has increased to 13 so far. According to their agreement, member states should not only remove obstacles in their trade but also strengthen cooperation in the economic and social domains in order to make the regional economy less dependent on developed countries.

The Organization for the Development of the Senegal River formed by Mali, Mauritania and Senegal has entered the stage of effective cooperation. The joint Diama Dam project is now under construction. A foundation stone laying ceremony for the Manantali Dam has been held.

Tanzania, Rwanda, Burundi and Uganda are stepping up efforts in the development of the Kagera River Basin, a joint project which will greatly promote their cooperation and boost the regional economy in East Africa. Egypt, the Sudan, Uganda, Tanzania and five other countries have decided to enhance their cooperative relations and join efforts in exploiting energy resources in the Nile River Basin.

All these achievements in economic development and regional cooperation will herald a fruitful future for the African nations in the development of their national economies and South-South cooperation.

XINHUA: U.S. BETRAYED ARGENTINA OVER FALKLANDS

OW240758 Beining XINHUA in English 0710 GMT 24 Dec 82

["Malvinas (Falklands) Lesson to Latin America" -- XINHUA headline]

[Text] Beijing, December 24 (XINHUA) -- Only by making themselves strong through independence and Latin American alliance can peace and security in this region be secured, which are unobtainable by pinning hopes on protection by a certain power or a certain treaty. This is a lesson that the Latin American countries and people have drawn from the Malvinas issue.

The United States has long regarded Latin America as its backyard, preaching the pan-American doctrine of "America for Americans" and posing itself as the "guardian" of Latin American countries against outside aggression and threat. The U.S. commitment is defined in the Inter-American Treaty of Reciprocal Assistance (or the "Rio Treaty") signed with Latin American countries in 1947.

However, as soon as military clashes started on the Malvinas Islands, the United States broke its commitment to the treaty and betrayed the Argentine people.

The British-Argentine dispute over the Malvinas Islands is an issue left over by old colonialism. Argentina's demand to recover the Malvinas Islands demonstrated the long-standing national aspiration of a sovereign people and won sympathy and support from many countries in the world. But when Britain dispatched a large naval task force to the South Atlantic and when Argentina urged the Organization of American States (OAS) to adopt collective sanctions against Britain in accordance with the Rio Treaty, the United States, the self-styled "guardian" of Latin American countries, turned its back on Argentina and sided with Britain. Many Latin American countries pointed out that by doing so the United States had "stabbed Argentina in the back" and "betrayed" Latin America. A noted political observer said the war "has broken the illusions of big power protection." The Latin American countries could only become vassals to the U.S. and the West if they depended on inter-Americanism, he said. Some politicians put forward the notion of Latin Americanism to replace the inter-American doctrine.

As soon as the Malvinas war began, the European Economic Community took collective sanctions against Argentina where over 90 percent of the population have a European origin, and exerted pressure on those Latin American countries which showed support to their sister country. This made many Latin American countries realize that developed countries are putting their own interests first.

In sharp contrast to the attitude of the United States and other developed countries, the numerous Third World countries firmly supported and sympathized with Argentina. Casting aside disputes and prejudices, many Latin American countries took joint actions in their solidarity with the Argentine people. The OAS twice adopted resolutions to condemn Britain for its armed attacks on Argentina. 20 member states of the Latin American Economic System formed an "action committee" last June to provide assistance to Argentina. The Association of Latin American Integration and the Andean Pact organization have offered Argentina trade and economic assistance. Many other Third World countries, particularly the Non-Aligned Movement, have also expressed solidarity with and support to Argentina.

This made the Latin-American countries keen on the need to strengthen their mutual relations and relations with other Third World countries. Brazilian President Oliveira Figueiredo pointed out recently at the U.N. that a firm alliance must be formed among Latin America, Africa and Asia.

Soon after the Malvinas war, the United States, conscious of the present reality in Latin America, attempted to get the virtually disintegrated inter-American system reactivated by taking some minor conciliatory measures.

Earlier last month, the United States, despite Britain's opposition, voted for a draft resolution put forward by 20 Latin-American countries on negotiated solution of the Malvinas. Later, it took the same position in the OAS.

During his visit to Brazil, Colombia, Costa Rica and Honduras, President Reagan reaffirmed that the United States would implement the Rio Treaty and uphold the inter-American collective security system. He expressed U.S. readiness to resolve regional differences with Latin-American countries and promised to strengthen economic cooperation. Reagan's promises, especially those in the economic sector, appear to have some appeal for many Latin American nations that are tormented by the most serious economic crises since the 1930s. However, the essential differences and contradictions between the United States and the Latin American countries are far from being reconciled.

XINHUA ON 'AILING' LATIN AMERICAN ECONOMIES

OW251922 Beijing XINHUA in English 1851 GMT 25 Dec 82

["Year-ender: Latin American Countries Adjust Economic Policies" -- XINHUA headline]

[Text] Beijing, December 25 (XINHUA) -- The adjustment measures introduced in many Latin American countries this year failed to bring about a turn for the better in their ailing economy under the shadow of the economic crisis in the capitalist world.

Looking into 1983, most Latin American countries find a grave challenge in store posed by shrinking production, imbalance in international payments, repayment of foreign debts and continuing inflation.

An economically-developed region in the Third World, Latin America enjoyed high growth rates in the early 60s and throughout the 70s. While having stimulated economic growth and boosted prosperity for most countries, the open-door economic policy pursued by them inevitably resulted in considerable dependence on foreign interests. Consequently, Latin American countries suffered greatly in the past two years when the developed countries tried to shift their economic crisis onto others. Beginning from 1980, their economies were plunged into the worst situation since the 1929 Great Depression.

Most Latin American countries have introduced adjustment or austerity measures in an effort to tide over their difficulties.

Slowing Down Development Pace and Ensuring Construction of Key Projects

Various Latin-American countries, in accordance with their own natural and financial resources, have worked out or readjusted their economic plans to slow down the pace of development and ensure the construction of key projects. Mexico, for example, ran into a series of problems brought about by its extremely rapid pace of development several years ago. During its readjustment, therefore, it cancelled some unnecessary projects, including a number of projects in oil industry which is regarded as the country's economic pillar.

Venezuela, another oil-producing country in Latin America, has decided to cut down its 1982-85 expenditures by 18 billion bolivars (about 4.2 billion U.S. dollars), the money scheduled to go to some projects and programs. The money to be offered by the fund of investment of Venezuela will be 12.7 billion bolivars (nearly 3 billion U.S. dollars) less than originally planned.

Brazil, the largest nation in Latin America, has given priority of its limited funds to agricultural, mineral and energy sectors and put off the construction of extremely expensive projects. The government has decided not to build any big steel plant over a ten-year period.

The economic readjustment in these countries have naturally resulted in the slowing down of their development. The economic growth of Mexico will be nil this year while that of Venezuela will be reduced to 0.3 or 1.3 percent. According to estimates by the economic commission for Latin America, the gross domestic product of various nations in the region will drop by 1 percent this year, the first time in the past 40 years.

Adoption of Austerity Measures To Reduce Deficits

Cutting back public spendings to reduce budget deficits is another measure adopted by Latin American countries to overcome their economic difficulties. For a long time in the past, many Latin American countries were afflicted by huge deficits resulting from too much public spendings in running the overstuffed state organs, losses incurred in state-run enterprises, corruption of government employees, and enormous welfare programs.

Since the beginning of this year, however, Venezuela, Mexico, Ecuador, Argentina, Peru, Chile, Colombia and some other Latin American countries have drastically cut their public spendings and financial budgets in an attempt to lower the proportion of deficit in the gross national product. Some countries even took such measures as reformation of the leading bodies in state-run enterprises, reduction of workers and staff on the payroll, wage freeze in public sectors, tax increases, prohibition of buying real estate by state organs, control of nonproductive expenditures and withdrawal of subsidies, to guarantee the implementation of programs for deficit cutbacks.

Latin American countries earn foreign currency mainly by exporting raw materials. But, as the prices for raw materials dropped by 15 percent in 1981, and by another eight percent in the first half of 1982 as compared with the corresponding period last year, Latin American countries suffered enormous losses. The industrial countries' protectionist measures and price hike of manufactured goods also provided unfavorable conditions for the trade of Latin American countries. Under these circumstances, many countries in the region declared devaluation of their currencies by big margins to raise their competitive ability. This year, Bolivia devalued the pesos by 800 percent while Mexico announced several devaluations of its pesos with the rate reaching 500 percent. However, some countries like Brazil adhered to the policy of small devaluation of their currencies. Argentina and other countries took measures to make full use of the productive capability of their export industry and increase export subsidies. Chile announced that any domestic goods entering the Iquique Free Trade Zone will be exempt from value added taxes and credits for anticipated shipment of exported goods will be extended. Meanwhile, Latin American countries also imposed strict restrictions on imported goods. Colombia reportedly prohibited more than 500 varieties of foreign goods from entering its domestic market and Chile, which had encouraged imports in the past, also raised duties on imported goods.

These measures have to some extent hampered the unfavorable impact imposed on the Latin American countries by the world market. But, they have also helped increase the domestic living expenses sharply, with the index of prices for consumer goods rising by 80 percent on average in the region this year. Now, Argentina, Mexico, Bolivia and Costa Rica are haunted with three-digit inflation rates.

Renegotiating Foreign Debts and Curbing Capital Outflow

The total amount of foreign debts of Latin American countries has reached 300 billion U.S. dollars this year. In Mexico and Brazil, it has surpassed 80 billion U.S. dollars, ranking them on top of the world's debt-laden countries. As international banks raised their interest rates in recent years, the interests due to the creditors of Brazil and Mexico this year have exceeded 10 billion dollars, putting great pressures on these two countries. Among other Latin American countries, Brazil, Mexico and Argentina have to accept stringent terms imposed on them by the International Monetary Fund that they adopt austerity measures in exchange for loans from the institution. Meanwhile, to curb the outflow of capital, they have also adopted other measures such as lower interest rates for domestic loans, encouragement of savings, limitations on the private purchase of foreign exchange, state interference in exchange markets and banks, and transfer of foreign currencies in state-owned enterprises to central banks.

Concerted Efforts To Tide Over Difficulties Through Regional Cooperation

Some of the measures adopted by Latin American countries to tide over financial difficulties are expedient as Latin American authoritative economists put it. In their view, a change of the present international economic relationship, enthusiastic regional cooperation and direct participation in the struggle for a new international economic order are the only way of genuinely solving their economic problems. Latin American countries have been working hard in this direction since the beginning of this year.

The member states of the Latin American Economic System (SELA) held a ministerial conference in Venezuela last August when they endorsed a two-year plan beginning last September on regional cooperation in agriculture, food, trade, finance, science and technology.

The 13 regional intergration organizations in Latin America also met to call for an expansion of Latin American cooperation in trade and other fields and for a joint renegotiation of their foreign debts. The Caribbean Community summit conference was held after a six-year postponement, during which the participants agreed to promote the movement of Caribbean integration. Central American countries are now enthusiastically participating in regional cooperation in fields such as power generation and agriculture. Latin American countries now become more active in joining in all kinds of efforts for the establishment of a new international economic order.

During the recent ministerial conference of General Agreement on Tariffs and Trade (GATT), Brazil, among other Latin American countries, accused industrialized nations of adopting a protectionist policy and called for trade on better terms. Together with other raw material producing countries, Latin American nations have been contending with developed countries for the maintenance of raw material prices and export shares. They have also been coordinating their stance with other developing countries to promote North-South dialogue, and South-South cooperation.

RENMIN RIBAO ON RESTORING STATE CHAIRMAN SYSTEM

HK281030 Beijing RENMIN RIBAO in Chinese 28 Dec 82 p 5

[Article by Xiao Weiyun [5135 5588 0061]: "The Restoration and Development of China's State Chairman System"]

[Text] The Constitution of the PRC adopted by the Fifth Session of the Fifth NPC has restored the establishment of the state presidency of the PRC. This is a development of the state chairman system stipulated in the 1954 constitution.

Why is it necessary to restore the establishment of the state presidency?

The establishment of the state presidency is a state system that conforms with the characteristics of our nation. The 1954 constitution stipulated that the NPC is the highest state power; other central state organs should all be elected by the NPC and subject to its supervision. At the same time, the constitution also stipulated the establishment of the state chairmanship. All the above stipulations were in conformity with our country's actual conditions. In the "Report on the Draft of the PRC Constitution," Comrade Liu Shaoqi pointed out: "In accordance with our country's actual conditions and the experience of building the highest organ of state power since the founding of the PRC, the functions and powers of our head of state will be exercised by the NPC Standing Committee, which is elected by the NPC, together with the state chairman of the PRC. Our head of state is a collective. At the same time, neither the Standing Committee nor the state chairman of the PRC can overstep the authority of the NPC. This collective form of head of state is characterized by the combination of decisions made by the collective -- the NPC Standing Committee and promulgation and implementation by the state chairman.

Practice over many years has proved that the establishment of the state presidency is necessary for perfecting the structure of the state organs and is also in conformity with the customs of the people of all nationalities in China.

After the "Cultural Revolution" started, the then-state chairman lost his personal freedom when the whole nation was placed in an abnormal condition and he was forced to stop exercising his due functions and powers. The 1975 constitution then abolished the state chairman system. Though the 1978 constitution was formulated after the downfall of the "gang of four," it still could not sum up this historical experience because of the limitation of the historical conditions and it still failed to restore the state chairman system. Now this system which has existed for many years and has played a good role has at last been restored. This is a good thing.

The establishment of the state presidency is conducive to the reasonable division of functions of state organs, so it is required because of needs of work. In dealing with our domestic affairs, it is more appropriate that some functions and powers be exercised by the state president. For example, as the 1954 constitution stipulated, the choice of the premier of the State Council should be decided on by the NPC after nomination by the state chairman; in pursuance of the decisions of the NPC and its Standing Committee, the state chairman promulgates statutes and decrees, appoints and removes the premier, vice premiers, ministers in charge of ministries and commissions and the secretary general of the State Council, confers state medals and titles of honor, issues orders of special pardons, proclaims martial law, proclaims a state of war and issues mobilization orders. Since the 1975 constitution abolished the state chairman system, some inappropriate stipulations were thus included in it.

For example, it stipulated that after nomination by the CPC Central Committee, the NPC appoints and removes the premier and other members of the State Council; and that the chairman of the CPC Central Committee commands and directs the armed forces of the whole country. These stipulations inappropriately lumped together the functions and powers of a political party with those of the state organs. The 1975 constitution abolished the state chairman system, but it failed to stipulate who should take over some functions and powers which were formerly exercised by the state chairman. Therefore, the establishment of the state presidency is necessary for dealing with our country's domestic affairs.

Ours is a great nation. It is necessary to establish the post of state president in order to carry out work in the field of external relations. There are more and more heads of state of foreign countries who visit China. In our country, there should be a person to receive them who is in a relevant post at an appropriate level. Only thus can we follow international practice. At the same time, there should also be a suitable person in our country who can receive ambassadors extraordinary and plenipotentiary sent by heads of state of foreign countries. Without a state president, we will experience inconvenience in our work. Very often, appropriate return visits are necessary after the visits by heads of state of foreign countries. Visits to some countries are also necessary at the invitation of the heads of states of those countries. Therefore, it is necessary to establish a state presidency system in order to carry out work in the field of external relations in light of the actual conditions in our country.

In so doing, the division of work in our organs will be more rational and appropriate. The chairman of the NPC Standing Committee and the premier of the State Council will then be able to concentrate their efforts on accomplishing their own tasks.

The new constitution restores the state presidency stipulated in the 1954 constitution. But it is not a simple restoration because necessary amendments and a new development have been carried out based on the 1954 constitution and in accordance with the lessons and experiences accumulated over the past 20 years or so in our country.

The new constitution has retained the characteristics of our head of state as pointed out by Comrade Liu Shaoqi in his report on the draft of the constitution. In other words, our head of state is a collective head of state. However, in the new constitution, the provision concerning the state president's function of representing the state in its relations with foreign states is somewhat different from the previous provision. In Article 78 of the new constitution, which is contained in the draft of the revised constitution promulgated last April, the phrase "the chairman of the People's Republic of China represents the state in its domestic affairs and its relations with foreign states" has been deleted. Article 41 in the 1954 constitution, "the chairman of the People's Republic of China represents the state in its relations with foreign countries and receives diplomatic envoys from foreign countries" has also been deleted. It has been revised to read: "The president of the People's Republic of China receives foreign diplomatic envoys on behalf of the People's Republic of China." It is because in dealing with different affairs under different circumstances, the NPC Standing Committee can represent the state, as can the State Council, in the name of the central people's government. Specific stipulations have been provided in Articles 80 and 81 of the new constitution concerning the functions of the state president in domestic affairs and relations with foreign states. Article 78 in the draft of the revised constitution has also been deleted. The new stipulations are more accurate.

The stipulations in the new constitution concerning the state president are more unconventional than those in the 1954 constitution. The state president is not engaged in administrative work and does not hold any practical responsibility. He merely plays a symbolic role. 1) Compared with the 1954 constitution, we realize that according to the new constitution, the state president does not have the power of commanding the armed forces of the nation. The National Defense Commission no longer exists according to the new constitution. Unlike the 1954 constitution, the new constitution does not stipulate that the state chairman exercises the function and power of chairman of the defense commission. Except for nominating the premier of the State Council at the NPC, the state chairman does not exercise any other administrative power. 2) The state president no longer has the power of "holding the supreme state conference when necessary." Article 43 in the 1954 constitution concerning "holding the supreme state conference" is no longer suitable to present-day conditions. The supreme state conference chaired by the state chairman and attended by state vice chairmen, the chairman of the NPC Standing Committee, the premier of the State Council and other relevant persons to discuss important matters of state has been replaced by some other forms. Therefore, it is no longer necessary to hold the supreme state conference. Although the post of state president is high and important according to the state system, the president is not engaged in any administrative work. He promulgates statutes, appoints and removes officials of the State Council, issues orders for special pardons, appoints and recalls plenipotentiary representatives abroad, ratifies and abrogates treaties and important agreements concluded with foreign states and so forth. However, decisionmaking power with regard to all these matters belongs to the NPC and its Standing Committee. According to the new constitution, the term of office of the state president and vice president is 5 years, and they shall serve no more than two consecutive terms. This will be beneficial de facto to abolishing the system of lifelong service of leading cadres. The new constitution also raises the age limit of candidates for state president from 35 to 45. Because the state president is an important and high post, it should be held by an elderly and experienced person.

In the new constitution, the stipulation contained in the 1954 constitution that: "when the state chairman of the People's Republic of China cannot work for a long time due to poor health, the vice chairman will exercise the functions and power of the chairman on his behalf" has been deleted. But the stipulation that "in case the office of the state president falls vacant, the vice president succeeds to the office of president" has been retained. The following stipulations were added to the new constitution: "In case of the office of the vice president of the People's Republic of China falls vacant, the NPC shall elect a new vice chairman to fill the vacancy;" "in the event that the offices of both the president and vice president of the People's Republic of China fall vacant, the NPC shall elect a new president and a new vice president. Prior to such election, the chairman of the NPC Standing Committee shall temporarily act as the president of the People's Republic of China." Such stipulations make the new constitution more complete and perfect than the 1954 constitution.

RENMIN RIBAO COMMENTATOR ON INVESTIGATION, STUDY

HK290751 Beijing RENMIN RIBAO in Chinese 26 Dec 82 p 1

[Commentator's article: "He Who Does Not Make Correct Investigation and Study Has No Right To Speak"]

[Text] "No investigation, no right to speak." "It is imperative to devote great efforts to making actual investigation. Only thus can idealist thinking be washed away." During the Yanan days, thanks to the initiation by Comrade Mao Zedong, a large number of leading cadres comrades working in leading organs in all our base areas went to the countryside and grassroots units.

They acquired a good knowledge of firsthand data and through analysis and synthesis they effectively implemented the party's principles and policies and ensured the smooth development of work in all fields. Investigation and study thus became one of our party's fine styles of work. When the people of all nationalities throughout the country are now warmly responding to the call of the 12th party congress and striving to create a new situation in all fields of socialist modernization, the publication of "Mao Zedong's Writing on Rural Surveys" is of great significance.

The 12th party congress pointed out that we should blaze a path of our own and build socialism with Chinese characteristics. This will be a new path that nobody has taken before. When advancing on this path, we will inevitably encounter many difficulties and problems and will be confronted with some unexpected new situations. What shall we do? As people usually say, the way to solve problems and overcome difficulties lies in "being fully aware of the situation, being firmly determined and having correct methods." But where do the firm determination and correct methods come from? They will come from nothing but "being fully aware of the situation." To "be fully aware of the situation," people must make correct investigation and study. We should energetically encourage leading cadres at all levels to go personally to find out about the situation and to lead relevant comrades to go in for surveys and discussions together so as to acquire an accurate knowledge of the actual facts. So long as the matters are correctly perceived, we will be able to take resolute steps for handling them and to prevent hesitation which may bungle a chance for success. We should be more courageous in carrying our reform. Of course, making investigation and study at the lower levels is a painstaking job. But after 1 or 2 years, a fine style of work will be shaped and many people will practice it. A large number of men of action with courage and insight will appear. In this way, we can not only do our work well but can also cultivate many able people. Unfortunately, this Marxist methodology has not been understood by the whole party. Some comrades, thus far, have not yet understood why the party's line, principles and policies since the 3d Plenary Session of the 11th CPC Central Committee are correct and why they are supported by the people throughout the country. Some comrades now are still accustomed to looking at things and handling affairs in accordance with outdated ideas and conventions, refusing to get themselves moving and go among to the masses. In fact, there are now a large number of new people and new things in factories, rural villages, schools and other grassroots units. Numerous vivid and fresh experiences await us to study, to draw nourishments, to enrich our knowledge and broaden our vision.

In his essay "On Rural Surveys," Comrade Mao Zedong pointed out: "We also believe that things are always moving, changing and progressing, so our surveys need to be made over a long time. Today we are required to make surveys; in the future our children and grandchildren will also be required to do so. Only thus can people continuously recognize new things and acquire new knowledge." This is incontestable truth. New things continually emerge and people's thinking also changes unceasingly. All departments and the leadership at all levels should diligently, promptly and meticulously study new situations, sum up new experiences and solve new problems. So long as we consistently and continuously make investigation and study, it is certain that we can steadily attain the objective of creating a new situation in all fields.

RENMIN RIBAO ON NEED TO PROMOTE NEW PEOPLE

HK230807 Beijing RENMIN RIBAO in Chinese 22 Dec 82 pp 1, 4

[Editorial: "Using a Generation of New People"]

[Text] Recently, this newspaper has separately reported the selection of young and middle-aged cadres into leading groups in Shoudu Iron and Steel Company and Beijing Municipal Livestock Breeding Department. These were affairs at enterprise level, but their experience is of universal significance and worthy of our attention.

Ever since the 12th party congress, people have been studying and discussing the question of how we are to create the new situation and have investigated and studied the question of how we are to achieve the magnificent goal of "quadrupling." In this respect, we have a lot of things to do and a lot of problems to solve. However, in the final analysis, if we fail to realize cooperation between the new and elder cadres and the succession of the new cadres to the elder ones and if we do not have more revolutionary, younger, better educated and professionally more competent leading groups, it will be impossible for us to create the new situation or to achieve the "quadrupling." This is known but not profoundly clear to everybody. During the past 2 or 3 years, hundreds of thousands of young and middle-aged cadres below the age of 55 have been selected into leading groups at and above the county level. However, according to the age requirements for composition of the leading groups at these levels, more than half of these cadres are too old; moreover, more than 40 percent of them have an education level below junior middle school. This shows that though there has been some improvement in the situation of the age and low education level of our leading groups at various levels, this improvement falls far short of the demands on our leading groups resulting from the great and arduous tasks facing us.

At present, the work of selecting fine young and middle-aged cadres -- using a generation of new people -- still encounters considerable obstacles and difficulties. Basically, this is due to our failure to thoroughly eliminate the long-standing old conventions and influence of "leftism," the most important of which is the custom of promotion according to seniority and the prejudice against intellectuals. Essentially, selecting young and middle-aged cadres means selecting intellectuals who have withstood the test of many years of actual struggle. The construction of neither the material civilization nor the socialist spiritual civilization can dispense with intellectuals. By a new generation of people, we mean those who are not only politically reliable and who foster communist awareness and the pioneering spirit of seeking truth from facts and of hard struggle, but who are also in the prime of their lives, possess modern scientific and cultural knowledge and are to a certain extent professionally competent. If we select a large number of such cadres to strengthen our leading groups at various levels, these groups will be filled with greater vigor and energy and will then be able to lead the masses to create a new situation in socialist modernization.

Where can we find such cadres? There is quite a large number of them. If only we emancipate our minds, we can find good cadres right at hand. The problem is we often turn a blind eye to their existence. The number of intellectuals in our country who received higher education after the founding of the PRC and who have reached the level of higher education through independent study while settling down in rural areas or working in other positions totals more than 5 million. They have not only received a great deal of education and training, but have also experienced many years of practical work and especially have undergone the test of the "Great Cultural Revolution." We should say that most of them are good or comparatively good.

If we select one or two people from every hundred of them, we will get 50,000 to 100,000 people. Have the Shoudu Steel and Iron Company and the Beijing Municipal Livestock Breeding Department not succeeded in selecting from this large contingent of cadres new people who are competent for leading posts?

This winter and in the first half of next year, we will reorganize the organizations at the provincial and prefectural levels. We will then reorganize those at the county and commune levels. One of the chief tasks of this reorganization is the readjustment of our leading groups. The central authorities have put forward concrete requirements for the composition of the leading groups in terms of both the age and educational levels and professional competence. This task is very heavy and urgent. The experience gained by the Shoudu Iron and Steel Company and the Beijing Municipal Livestock Breeding Department have proved that the key to fulfilling this major task lies in the principal leading comrades of the party committees having awareness, emancipating their minds, being determined and personally paying attention to this work.

The former leading cadres of the modern chicken and pig farms under the Beijing Municipal Livestock Breeding Department are very good people with the pioneering spirit of perseverance and hard struggle. However, they are poorly educated and lack scientific knowledge. Moreover, they are not good at employing young professionally competent cadres. Therefore, they are obviously not suited to the needs of the modernization cause. Comrade Zhao Huada, director of the department, has learned from experience the importance of selecting outstanding scientific and technical workers to leading posts (an importance resulting from the needs of the unity of scientifically analyzing problems and effectively directing people to solve these problems). So, together with the department party committee, he bravely promoted a number of new people. As a result, the situation has been rapidly changed in their modern livestock breeding undertaking, which began to vigorously develop. Thus the next year, the department no longer suffered losses as it had done before; instead it made profits. Furthermore, he gave his position to a more competent person of his own accord, that is, to a veterinary surgeon who had recently been promoted to a leading post in the chicken farm, and created a new situation there. Zhao Huada's action of assigning important posts to intellectuals has won the support of many leading comrades and many cadres and masses, but at the same time, it was opposed and denounced by quite a few people. However, Comrade Zhao Huada firmly believed that what he had done was correct and was suited to the needs of the four modernizations; so he did not waver in the face of pressure.

In the process of selecting scientists and technicians to leading posts at various levels, especially to the post of the director of the personnel department, Comrade Zhou Guangwu and the party committee of the Shoudu Iron and Steel Company have encountered several disturbances. However, they steadfastly implement the CPC Central Committee's principle of making the cadre ranks more revolutionary, younger, better educated and more professionally competent and promptly promoted the correctly selected outstanding cadres to important posts. As a result, great changes have been brought about to the production and work in the company and remarkable economic results have been achieved.

These reports show that these two old cadres have really maintained ideological identity with the CPC Central Committee's strategic principle. They realize that the cooperation between the new and the elder cadres and the succession of the new to the elder cadres is a strategic policy decision that we must adopt as an organizational line in the new historical period and that only by resolutely doing that can we guarantee the prosperous development of the socialist cause and can we ensure that there is no lack of successors to carry on this cause.

The duty of first priority for our old cadres (also the last duty in their revolutionary lives) is to satisfactorily select their successors without the least delay. These two cadres view problems from a higher plan and with deep insight. They have proceeded from the whole situation of the revolution and considered the question of what kind of people should be selected to take charge of the cause of our party and state 20 and 30 years hence in order to ensure that the nature of our party and state will never change. In selecting people to promote, they had a wide field of vision, followed the mass line and personally made investigations and repeated comparisons. They have courage and insight in doing this job. We must vigorously develop and spread their ideas and work style of proceeding from the long-term interests of the party and the people and of taking good care to select competent people for promotion.

The experience of the Shoudu Iron and Steel Company has also told us that in order to select a large number of excellent young and middle-aged cadres for promotion, in addition to the personal attention that must be paid by the major leading comrades of party committees, we must moreover solve the problems related to building up our organization and personnel departments. Our organization and personnel departments have always selected cadres for promotion in accordance with the principle of "paying attention to both virtues and competence." They have the fine tradition of attaching special importance to political criteria. In future, we should continue to adhere to this tradition and in the immediate future we should be especially resolute in preventing the five kinds of people from entering our leading groups. However as we have, for a long time, failed to shift the emphasis of our work onto economic construction, we are relatively familiar only with the cadres who grew up in war time, did work among the masses and took part in political movements. Generally speaking, our organization and personnel departments are not familiar enough with the cadres of the economic, scientific, technical, cultural and educational departments. As yet they are not good at selecting competent cadres in these fields and assigning them appropriate posts. In order to enable our work of selecting and promoting cadres to better satisfy the needs for the overall development of the socialist modernization, those in our organization and personnel departments at all levels must further emancipate their minds, fix in their minds the personnel viewpoint of the new period and improve their methods of examining, evaluating and inspecting cadres. At the same time, we should select a large number of cadres to strengthen these departments who have a strong party spirit, are honest and upright in their ways, have received a tertiary level of education and understand economic management and science and technology. In our economic, scientific research, cultural and educational departments, we must select a number of such cadres to the chief leading posts of the organization and personnel departments there. This is the demand resulting from the shifting of the emphasis of the party's work onto modernization as well as the demand resulting from the implementation of the party's intellectual policies. Only when we have such cadres in charge of our organization and personnel work can we more satisfactorily understand and show concern for a larger number of our intellectuals and can we select from them various kinds of talented people. Thus we will be able to gradually change the composition of our cadre ranks and promote into our leading groups at all levels a large number of intellectuals who are both virtuous and competent, who are in the prime of their lives, who command professional knowhow and who are able to create a new situation.

Lenin said: "In order to do the job of management, we must have experts and must master all the conditions of production, understand the highly developed modern production technology and have certain scientific knowledge. We must meet these conditions." In order to manage production technology and economy, we must have experts who understand production technology and know how to do economic work.

Do we not also need experts who know how to manage people and cadres and how to find and employ talented people? Virtue and talent are mutually related. If one is not to a certain extent educated, one will find it difficult not only to judge whether a cadre is really competent but also to decide whether a cadre is really virtuous. Naturally, in selecting and promoting scientific and technical workers to do organizational work, we should utilize their strong points and help them to overcome their weak points. This means that we should select those who have ability for organizations or leading posts. As for those scientists and technicians who are not very suited to or are unwilling to hold administrative leading posts, we should respect their will and refrain from selecting and promoting them to leading posts. On the contrary, we should leave them to concentrate their energy on their professional work so as to avoid waste of intelligence resources. We should also realize that in our cadre ranks, the number of those who are really proficient in production and management and really understand modern advanced science and technology is not large. In order to adapt to the needs of the new situation, all the cadres of our party should continuously and dauntlessly study. At present, there are quite a few cadres whose educational level is below junior middle school level and whose age is below 50. Our party organizations should show great concern for their progress and be determined to make great efforts and adopt various means to raise their educational level in order to make them competent for their jobs. There are also a number of young comrades who came to work in administrative organs as soon as they graduated from college. Their chief weak point is lack of experience in basic level work. The party organizations should create conditions for them to go to work on the first line of production for a period of time in order to train them and increase their abilities.

The cooperation between the new and elder cadres, the succession of the new cadres to the elder ones and the vigorous selection and promotion of outstanding young and middle-aged cadres into leading posts at all levels is one of the major strategic policy decisions of the 12th party congress. We should fully understand the extremely great significance of this work and include it in the agenda of important matters for the party committees at all levels. The principal responsible comrades of the party committees at all levels must, like those in the Shoudu Iron and Steel Company and the Beijing Municipal Livestock Breeding Department, personally grasp this work, emancipate their minds, break away from the fetters of the old conventions and make deep-going investigations to discover, select and promote cadres not only from party and government organizations but also from all the trades, professions and fronts. This is the key to the solution of the problem of whether we will be able to satisfactorily do the work of using a generation of new people.

ARTICLE ON PROMOTING SOCIALIST CIVILIZATION

HK281456 Beijing RENMIN RIBAO in Chinese 23 Dec 82 p 5

[Article by Xiao Hua [5618 5478]: "The Great Force Promoting Socialist Civilization"]

[Text] The new constitution adopted by the 5th Session of the 5th NPC has scientifically summed up the historical experience in our country's socialist development, fully demonstrated the great achievements gained by us to bring order out of chaos following the 3d Plenary Session of the 11th CPC Central Committee and reflected the common desires and fundamental interests of the people of the various nationalities throughout the country. This is a constitution which is the most complete and most suited to our national conditions. Our new constitution not only absorbs the advantages of the 1954 constitution and adopts the strong points of the constitutions of the world, but also makes a number of important amendments and supplements based on the successes of the people of various nationalities in our country in their protracted struggle.

The inclusion of a series of provisions which stress the needs of building a high degree of spiritual civilization while building a high degree of socialist material civilization is one marked progress made in revising the constitution. Therefore, conscientiously abiding by the constitution is not only a matter which ensures lengthy peaceful reign in our country, but also a great force promoting social civilization.

1. The Constitution Plays an Active and Guiding Role in Building Social Civilization

The constitution is a fundamental law of our country, a basic norm for the political life of the people throughout the country and a general principle for administering and stabilizing our country. It not only has legal effects, but also plays a very important role in guiding all residents. The new constitution includes sufficient and significant contents concerning the building of spiritual civilization. Conscientiously studying and fully implementing the new constitution will certainly promote the activities of building socialist spiritual and material civilization in an all-round way. After analyzing the contents of the constitution, we will be able to realize more explicitly the importance of the problem.

First of all, the new constitution has substantiated the provisions concerning education, science, public health, sports and culture. A number of principles and requirements have also been included in the relevant provisions. For instance, the provisions concerned say: The state develops socialist educational undertakings and works to raise the scientific and cultural level of the whole nation. The state runs schools of various types, makes primary education compulsory and universal, develops secondary, vocational and higher education and promotes pre-school education. The state develops educational facilities of various types in order to wipe out illiteracy and provide political, cultural, scientific, technical and professional education for workers, peasants, state functionaries and other working people. It encourages people to become educated through self-study. To develop education, the state relies not only on regular schools, but also on sparetime education in various forms. The state encourages the collective economic organizations, state enterprises and undertakings and other social forces to set up educational institutions of various types in accordance with the law. The modernization of science and technology is the key to the success of the four modernizations. The state promotes the development of the natural and social sciences, disseminates scientific and technical knowledge, and commends and rewards achievements in scientific research as well as technological discoveries and inventions. The principles, requirements, significance and methods for the development of education, science and technology have all been specifically stipulated. As long as people throughout the country conscientiously study and implement these provisions, they will further realize the significance of the development of science, culture and education, master scientific methods and principle for developing these undertakings and promote their development.

With regard to ideological construction aimed at promoting spiritual civilization, detailed and specific provisions are also included in the new constitution, which say: "The state strengthens the building of socialist spiritual civilization through spreading education in high ideals and morality, general education and education in discipline and the legal system, and through promoting the formulation and observance of rules of conduct and common pledges by different sections of the people in urban and rural areas," "the state advocates civic virtues of love for the motherland, for the people, for labor, for science and for socialism." They also stress the need for carrying out communist ideological education among the people and taking communist ideology as the core of socialist spiritual civilization.

By implementing these provisions contained in the new constitution, various government organs at all levels will raise their consciousness for carrying out communist ideological education and the broad masses of people will also raise their consciousness for cultivating communist practice. The fact that this year the whole country extensively discussed the revision of the constitution has vividly proved this point. People of the whole country discussing the draft of the revised constitution was a study campaign by the whole people. A number of people measured their thinking by the provisions of the constitution. In so doing, they raised their communist consciousness in a better way and the lofty work style of subordinating personal interests to the collective interests and doing everything for others' benefit and nothing for one's own was further carried forward. This year when our veteran soldiers were discharged from active service, of their own accord they put forth the slogan of "leaving the army in a civilized way." After leaving the army, they still observed discipline and attached importance to unity. On their way home, they brought along the old and the young, and served the masses tea or water. They cleaned bus stations and hotels. Thus they were enthusiastically praised by the masses. All these facts have shown that a good constitution is good teaching material and a good declaration which can educate the people so that they will consciously abide by social civic virtues and encourage the masses to raise their communist ideological consciousness.

2. The Constitution Can Help People Form a Civilized Habit and Practice

The constitution is a basic principle for residents' life and actions. To include spiritual civilization in the constitution will urge every resident to measure his acts by the provisions of the constitution. With the passage of time, the constitution will exert a subtle influence on the character and thinking of all residents so that they will form a habit and practice characterized by spiritual civilization. During the years of war, shortly after the establishment of our army's revolutionary base in the Jinggang Mountains, we established the three main rules of discipline and the six points for attention. The six points for attention were later developed into eight points for attention. People in the army ranging from general commander to rank-and-file soldier were required to keep themselves within the bounds of the three main rules of discipline and eight points for attention, consciously resist the work style of the old army and the corrosion of non-proletarian ideology and gradually establish the habit of abiding by discipline and attaching importance to civility. All these have become good traditions of our army. Over the past decades, there was not a single person in our army who did not know the three main rules of discipline and the eight points for attention. The discipline and civility of our army are world famous. The constitution is more solemn and authoritative than discipline. To implement the provisions in the constitution concerning spiritual civilization will certainly play a more active role in helping the people form a civilized habit and practice. The common program established shortly after the founding of New China and the 1954 constitution included the provisions that residents should love the motherland, the people, science and public property, abide by labor discipline and observe public order, morals and so forth. The common practice and tradition of "five loves" once prevailed among our people. During the periods of the 1950's and early 1960's, workers in factories, mines and enterprises, peasants in villages and primary school students who had just started school knew these provisions and acted in accordance with the principle of civility of the "five loves." It was a pity that such a good practice was sabotaged during the 10 years of internal disorder. Although the recent activities to promote spiritual civilization and discussions by the whole people on the revision of the constitution have not yet been carried out for a long time, they greatly help people restore and develop various communist practices and habits.

Our Shandan army horse-breeding farm shoulders a heavy agricultural production task for the army. A few years ago, when crops were reaped, some masses near the farm supported by a small number of village cadres, would come with their carts and sacks to grab the crops. Every year the army horse-breeding farm suffered great losses. This year, due to the activities of promoting socialist spiritual civilization and discussion on the draft of the revised constitution, the masses have highly raised their ideological consciousness and the ideas of "five loves," as a general mood of society, are being formed. During the autumn harvest, nobody came to snatch rapeseed. On the contrary, organized by the local government, many people came to the army horse-breeding farm of their own accord to help our army units reap, mow, dry and take care of the grain. This has shown that as long as we encourage the people to abide by the new constitution and strictly go about things according to the provisions of the constitution, we will be able to establish new morals and general practice of the society.

3. The Constitution Has a Legal Binding Force Over the Building of Socialist Spiritual Civilization

The constitution is the law and regulation and basis governing the acts of our residents. The duties of residents which it stipulates are of a mandatory legal nature. It is a matter of great practical significance and profound historical importance to include the building of spiritual civilization in the state law. This shows that socialist spiritual civilization is a kind of moral standard and legal duty which residents should fulfill and observe. This has legally ensured the smooth progress of the building of spiritual civilization. Of course, our purpose in advocating communist ideological style is mainly to educate our residents so that they will enhance their ideological understanding and the sense of being the masters of their own country. However, ideological education, social public opinion, and moral requirements should supplement each other and integrate with one another. Certain things can be enforced only by taking compulsory means. For instance, the constitution stipulates: "We should oppose capitalist, feudal and other decadent ideologies." This is a solemn task assigned to the ideological front. We should help and educate those who have been strongly influenced by such ideologies. If necessary, we should punish them according to law and discipline. Under certain circumstances, the implementation of provisions concerning residents' duties and rights can only be carried out by taking certain compulsory measures which have a binding force. Otherwise, it is difficult for us to ensure that residents' rights are not encroached upon. Marx said: "There are no duties without rights and vice versa." Duties and rights are the unity of opposites. There is no limitless and absolute freedom. In any country, freedom can only be exercised within the scope of the constitution and law and is restricted by the constitution and law. Montesquieu, a French philosopher of the Enlightenment, pointed out: "Political freedom does not mean that we can do anything we like; freedom means doing all things permitted by the law; if a resident does things which are prohibited by the law, he no longer has freedom. This is also the case with other people." We want to build a socialist country which has a high level of democracy and a perfect legal system. Therefore, the new constitution stipulates that if a resident wants to uphold his rights, he has to respect the rights of other people. While a resident upholds his own rights, he has to defend the interests of the state, society and the collective, respect the freedom and rights of other people, abide by the constitution, law, discipline, public morals and social order and defend the security, honor and interests of the motherland. If he goes beyond the scope, he will be bound by the law. The legal binding force will urge residents to establish the concept of rights and duties and discipline which conform with the socialist and collective principle and to form the socialist consciousness of residents.

4. The Army Should Become a Model in Abiding by the New Constitution and Building Socialist Spiritual Civilization

The People's Liberation Army is an army of the people which is under the absolute leadership of the party. Our army has iron discipline and a glorious tradition of abiding by discipline and law. During the long years of revolutionary struggle, it was because our army resolutely implemented the party's instructions and strictly observed the laws and decrees of the party and government that it became a "division of civility." On the huge Jinggang Mountains, during the 25,000-li Long March or in the sacred place of the revolution -- Yanan -- we cultivated a work style of the new generation and established a new type of relationship between men. We had common ideals and beliefs, fought bravely, advanced wave upon wave and carried out an extremely hard and bitter struggle and were never defeated and dispersed regardless of the strenuousness of the living conditions, complexity of the environment or cruelty of the war. This was the purest and most beautiful soul and our army's source of strength which enabled our fighters to advance from victory to victory during the most difficult years of war. The new constitution enriches and substantiates the contents of building spiritual civilization and opens up broad prospects for the building of socialist spiritual civilization. We should conscientiously study the new constitution, take the lead in implementing it and be models in observing it. We should become glorious pace setters in building socialist spiritual civilization and train new communist people of the new generation to be those who have ideals, morals and knowledge and observe discipline to carry forward the revolutionization, modernization and regularization of the army to a new stage.

DISCIPLINE COMMISSION HITS HOUSING VIOLATIONS

OW281101 Beijing XINHUA Domestic Service in Chinese 0713 GMT 26 Dec 82

[Text] Beijing, 26 Dec (XINHUA) -- The CPC's Central Commission for Discipline Inspection recently transmitted an investigation report by the commission's investigation division on the case of unhealthy tendencies of organizations directly under the jurisdiction of Deqing County, Zhejiang Province, in housing construction and distribution, and in this connection issued a circular stressing that the leading cadres who violated the law and discipline in housing construction and distribution must be severely punished.

The circular says: A number of leading cadres of organizations directly under the jurisdiction of Deqing County, taking advantage of their position and power and in violation of financial and economic discipline, diverted and misappropriated funds earmarked for operating and other purposes, seized good farmland and built staff and workers living quarters of above-normal standards. When the houses were distributed, a few leading cadres were given larger and better ones. This caused great resentment among the masses and hurt the party's prestige. The mistake is serious.

The Zhejiang provincial party committee paid serious attention to this case. The leading cadres who had committed serious mistakes were dealt with according to the seriousness of their mistakes and their attitudes. Tang Shoulin, formerly director of the county culture and education bureau and currently member of the leading party group and director of the general office of the standing committee of the county people's congress, was removed from his posts in the party and recommended to be removed from his administrative positions. Wang Huizhu, deputy county head in charge of planning and financial and economic work, was criticized in a circular. In addition, some responsible persons of the county public health, civil affairs finance and tax, capital construction and agriculture and forestry bureaus were instructed to make profound self-criticism and earnestly correct their mistakes, and were appropriately dealt with according to the seriousness of their cases. We deem the Zhejiang provincial party committee's serious attitude and resolute actions correct and necessary.

The circular says: It needs to be particularly pointed out here that in order to check the unhealthy tendencies in housing construction and distribution, the party Central Committee and the State Council have repeatedly given clear-cut instructions, and the Central Commission for Discipline Inspection has time and again issued circulars. However, to this day the leading cadres in some places and units still pay no heed and continue to take advantage of their positions and powers to practice fraud and seek personal gains, and some leading organs take a laissez-faire attitude toward these practices and, weak and ineffective, fail to adopt strong measures to check them. This state of affairs is absolutely impermissible.

The circular calls on discipline inspection commissions at various levels, in the light of the problem revealed in the investigation report and comparing it with the situation in each locality and unit, to conduct a general investigation on problems involving leading cadres in housing construction and distribution and find out what really goes on. The emphasis of investigation is to find out whether leading cadres at and above the district, county and bureau level have taken advantage of their positions and powers to seek personal gains, offered or accepted bribes, and so forth, in housing construction and distribution, and whether the funds, building materials and land for housing construction are obtained from legitimate sources. In dealing with party members and cadres who have made mistakes, it is necessary to seize typical cases and give wide publicity to their serious handling. In no case should they be treated with indulgence and accommodation.

The circular stresses: While concentrating their forces to deal blows at serious criminal activities in the economic field, the discipline inspection commissions at various levels should regard as an important task and pay attention to effectively correcting the unhealthy tendencies in housing construction and distribution. They should make up their minds to pursue the task persistently, striving to find out clearly first of all about the problems in this field involving leading cadres at and above the district, county and bureau level in the first half of the coming year, check this unhealthy tendency and report to the Central Commission for Discipline Inspection on the examination and handling of cases.

YANG SHANGKUN VISITS BEIJING AIR FORCE UNIT

OW290440 Beijing XINHUA in English 0236 GMT 29 Dec 82

[Text] Beijing, December 29 (XINHUA) -- Yang Shangkun, permanent vice-chairman of the Military Commission of the Chinese Communist Party Central Committee, calls for building a better air force, the LIBERATION ARMY DAILY reports today.

During an inspection of an air force unit of the Chinese People's Liberation Army stationed in Beijing yesterday, Yang Shangkun urged the commanders and fighters to help construct an improved air force.

At the airfield, Yang Shangkun inspected interceptors, bombers, assault planes, transport planes and ground-to-air and air-to-air missiles.

Zhang Tingfa and Gao Houliang, commander and political commissar of the air force, reported to him on plans to improve the armament and training of the air force.

WAN LI, FANG YI ADDRESS LSI PLANNING MEETING

OW271824 Beijing XINHUA in English 1552 GMT 27 Dec 82

[Text] Beijing, December 27 (XINHUA) -- China plans to establish a research and production system for large-scale integrated circuits [LSI] with its own characteristics by 1990. This was decided at the third national planning meeting on development of large-scale integrated circuits, which closed here today.

The system will include four chains -- scientific research, technology exploitation, industrial production and wider use of large-scale integrated circuits.

Acting Premier Wan Li addressed the closing ceremony of the meeting. He said the technology of large-scale integrated circuits is urgently needed for the country's construction. In this field, China must catch up with the world advanced level as soon as possible. "The conditions are favourable," he said.

Fang Yi, state councillor and minister of the State Scientific and Technological Commission, attended the meeting from the beginning through the end.

He shared the view of the acting premier, saying that the program for developing large-scale integrated circuits would be included as a key item in the state plan.

Fang Yi stressed that China should rely on its own efforts in developing the circuits. Meanwhile, he added, China would continue to actively and cautiously import some advanced equipment, key components and parts and advanced technology to promote the development.

According to Fang Yi, China began researching large-scale integrated circuits in 1964. In the past 18 years, China has built an initial system of producing, storing, transporting and supplying the basic materials for LSI in Beijing. It has basically mastered the general technical processes for developing and producing LSI. In addition, it has made quite big progress in developing the special equipment, new technical processes and new technology.

He promised that institutes, factories and universities with better conditions would be given priority in funds and technical transformation so that they would gradually be built into units combining research, technology exploitation, industrial production and application of large-scale integrated circuits.

The third national planning meeting on development of large-scale integrated circuits opened on December 23. Attending the meeting were more than 120 experts, scholars and administrative persons from the Chinese Academy of Sciences, the Ministries of Electronic, Metallurgical, Machine-Building, Chemical, and Astronautics Industries and Education, and Beijing, Shanghai, Tianjin as well as provinces of Jiangsu and Liaoning. The meeting summed up China's past progress in the field of LSI, discussed the policies and measures for its future development and drew an eight-year program.

WANG ZHEN, DENG LIQUN ATTEND AWARD CEREMONY

OW271926 Beijing Domestic Service in Mandarin 1200 GMT 24 Dec 82

[Text] The Ministry of Culture held a meeting this morning to commend and award advanced collectives and individuals in youth libraries throughout the country. Wang Zhen, Deng Liqun and Zhu Muzhi attended and addressed the meeting. Seventy-one advanced collectives and 61 advanced individuals were commended. They have made outstanding contributions to improving youth libraries throughout the country.

CHINA DAILY URGES ADHERENCE TO FAMILY PLANNING

HK280158 Beijing CHINA DAILY in English 28 Dec 82 p 4

["Opinion" column by CHINA DAILY Commentator: "Family Planning"]

[TCxt] Family planning is now a top priority task in China. Beginning on New Year's Day, a nationwide publicity campaign will be launched to bring home to everyone a sense of urgency about birth control. The drive will continue through mid-February, taking in the Spring Festival holidays.

Family planning has been proclaimed a fundamental state policy. Our target is to keep the mainland population under 1,200 million at the turn of the century. This is necessary if China's social and economic development plans are to be achieved, with corresponding improvement in the people's living standard, and if we are to avoid more serious problems in education, employment, food supply, and housing.

To control population growth at this stage, however, is no easy job. The latest census, held last July, put the mainland population at 1,008 million, up 45.1 percent since 1964, an average annual increase of 2.1 percent. If the goal for the year 2000 is to be reached, the average yearly increment cannot surpass 0.95 per cent.

For too long, China was dominated by the view that population growth meant only an increase in the number of hands to share the work, overlooking the stern reality that it meant also more mouths to be fed and minds to be educated.

China's mainland population increased by 122 million in the first six years of the "Cultural Revolution"; the greatest increase in a single year was 29 million. Those were the years during which, more than ever, "strength of numbers" was upheld as an important tenet of orthodox socialism and was used against anyone who dared to talk about overpopulation in China.

Family planning finally began to be promoted in earnest in 1971, but at first it was offered more or less as friendly advice. Through widespread publicity, later supplemented by enforceable measures, most couples of child-bearing age were convinced to practise it. As a result, population growth decreased from 2.34 per cent in 1971 to 1.06 percent in 1980.

However, the 1980s present a new threat. Last year, the birth rate picked up to 1.46 percent. As a consequence of the baby boom of the 1950s and '60s, some 22 million young people will reach child-bearing age every year for the next 15 years. Of the present 200 million women of child-bearing age, more than 160 million are in rural areas.

With the adoption of the responsibility system and the development of production, the old idea of regarding men as superior to women has made a comeback among many peasants. This was added to the difficulty of population control and family planning.

A multitude of legal and social measures have been instituted to facilitate birth control, such as commendations and material awards for one-child parents, free supplies of contraceptives, free sterilization and abortion, and amenities for the aged both in towns and in rural communes. The new constitution stipulates that all parents must practice birth control. Personal hygiene is to be taught in junior high schools.

All young people are called upon to put off getting married, to postpone having children and to limit their families to one child. One-child families now account for over 70 percent of the total married population in the three municipalities of Beijing, Shanghai, and Tianjin, in the three northeast provinces of Liaoning, Jilin, and Heilongjiang, and in the coastal provinces of Jiangsu and Shandong. If 10 more provinces with populations of over 30 million can achieve a similar singlechild family ratio, according to the State Family Planning Commission, the target for the end of the century will be no problem.

Persuasion is preferable to administrative and pecuniary measures, and contraception to abortion. Compliance must be ensured, however, for the population problem in China today is of such a pressing nature that individual whims must be subject to the interests of society as a whole.

CHINA MACHINERY CORPORATION REGISTERS SUCCESS

HK290214 Beijing CHINA DAILY in English 29 Dec 82 p 2

["Economics and Finance" column by staff reporter Zhu Ling: "Corporation Finds Fresh Paths to Export Successes"]

[Text] The China National Machinery Import and Export Corporation (CNMIEC) will end 1982 with steady advances in various fields of trade.

This year, the corporation has again exceeded the state's target by more than 20 percent.

Cheng Jixian, the general manager, told CHINA DAILY: "Our corporation has been trudging ahead under unfavorable conditions since the late 1970s when many local companies became independent and some ministries established their own machinery import and export companies.

"At that time, more than 60 percent of our export products, including almost all machinery, were taken out of our care and placed into the hands of new companies."

This year, he said, more than 20 percent of the corporation's export products under the state target had been taken away.

Under these circumstances, Cheng said, the corporation began to exert itself to do better with the left-over products, such as machine and farm tools, that had enjoyed little attention.

Last year, exports of tools totalled \$110 million, compared with \$50 million before 1980. This year, they will reach more than \$130 million.

"Export has been our key business and fulfillment of the state's annual target always come first," Cheng said. "But we have done some other things that are quite indispensable to our success."

Over the past three years, the corporation has jointly established in China eight motor car and construction machinery spare-parts distribution centres and 15 distribution stations with foreign companies. Still more are being established, Cheng said.

Since 1949, he said, China had imported more than 100,000 vehicles from the Western world, mainly from Japan and West Germany. Every year before 1980, the corporation imported more than \$30 million worth of spare parts. The parts took a long time to reach users because of red tape. And many were not used, leading to serious stock-piles.

"Now we've established spare parts centres that not only can give timely service but save foreign exchange for the country," he said.

Before 1980, for instance, China spent more than \$26 million a year to import spare parts from Japan alone. Last year, it spent only \$12 million and the total this year will be \$15 million.

Since 1978, when economic readjustment began, 14 trading ports had started to run business themselves. But many inland provinces such as Henan and Shanxi had a difficult time with foreign trade until the corporation helped to integrate them into a 14-province joint operation.

Last year, exports of tools alone soared to \$9.8 million from \$1 million in 1980. From January to October of this year, tool exports reached \$12.6 million.

"This kind of joint operation is far from satisfactory," Cheng said. Early this month, a meeting was held in Hefei, the capital of Anhui Province, to discuss how to improve foreign trade.

"We proposed that all the foreign trade companies should be integrated with nearby trading ports to provide a door for each to contact the outside world," he said.

The corporation has set up joint companies in Hong Kong, Tokyo, France and the United States over the past three years in a bid to promote sales.

Since their establishment, Cheng said, more than \$180 million worth of agreements had been signed; export agreements amounted to 59 percent.

"We intend to develop a global network to introduce our products and investigate the world market," he said.

Now more than 40 of the corporation's officials are working in the joint companies. So far, more than 40 foreign customers have been enlisted to promote sales of Chinese products in the world market.

Since 1980, the corporation has also carried out some business of its own. It has imported Japanese vehicles, for instance, to sell on the domestic market, thus earning more than 20 million yuan for the country.

The corporation is now trading with more than 110 countries and regions and selling 30 categories of products, ranging from ships to tools. "We are also the biggest purchasing arm of machinery for the state, and imports of machinery will steadily grow yearly," Cheng said.

"We now enjoy high credibility in the world and we are striving to maintain and further develop it," he said. The corporation would focus on realistic readjustment of its organization to suit a large-scale surge in exports that would remain the key throughout the new year, Cheng said.

EQUIPMENT MANAGEMENT BODY SEEKS FOREIGN TIES

OW241036 Beijing XINHUA in English 0725 GMT 24 Dec 82

[Text] Beijing, December 24 (XINHUA) -- The China Equipment Management Association plans to establish contacts with foreign organizations specializing in equipment management and maintenance, the association's Vice-President Zhao Weichen said today.

The association, founded earlier this month, now has links with all Chinese ministries and all provinces, municipalities and autonomous regions, he said.

The membership of the association, under the State Economic Commission, includes professors, scholars, experts and leaders of various departments and enterprises, the vice-president said.

"The association will conduct studies into the theories, policies and measures of managing industrial equipment, and exchange and popularize advanced experiences and results in improving equipment management and replacing equipment," he said.

The association will give lectures and training courses and provide consulting services for equipment management and maintenance, he added. It plans to publish journals, which will carry articles on both domestic and foreign equipment management theories, methods and experiences, he said.

The honorary president of the association is Hu Juewen, a former industrialist and vice-chairman of the Standing Committee of the National People's Congress, and the advisers are Hu Ziang, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, and Ma Hong, an eminent economist. Ma Yi, vice-minister of the State Economic Commission, was elected president.

The 10 vice-presidents include Lin Zongtang, member of the State Economic Commission and a senior engineer. He is also the secretary-general of the association.

FOREIGN AID WELCOME TO PROMOTE COAL INDUSTRY

OW281428 Beijing XINHUA in English 1117 GMT 28 Dec 82

[Text] Beijing, December 28 (XINHUA) -- China's coal industry plans to start ten projects in the coming years and welcomes foreign cooperation in this effort, Bai Xingji, director of the China Coal Society, said in an interview with XINHUA here today.

More than three billion U.S. dollars are expected to be involved in these projects, he said.

Since coal accounts for 70 percent of China's energy and is a key to the country's modernization, he said, the industry has been made a priority for government support.

To inform foreign entrepreneurs, bankers and consultants about China's coal industry, Bai Xingji said, his society and the U.S. journal WORLD COAL are co-sponsoring a seminar on investment and marketing in Chinese coal mines between March 18 and 26, 1983, in Beijing.

He said that the Chinese papers to be presented at the China mines investment and marketing seminar include: a general picture of China's coal production; China's plan for upgrading the country's coal mines; China's laws and regulations concerning joint ventures, negotiation and bidding procedures, and short- medium- and long-term financing.

The Chinese official said that participants in the coming seminar will have an opportunity to meet and talk business with decision makers in the Chinese coal industry.

Other Chinese departments and organizations participating in the seminar, he said, are the Ministry of Foreign Economic Relations and Trade, the China International Trust and Investment Corporation, the Bank of China, the Ministry of Coal Industry, the China National Coal Development Corporation and the China Southwest Joint Energy Resources Development Corporation.

In March of this year, he added, an agreement was signed for jointly conducting a feasibility study on the development of the Antaibao open-cut mine in the Pingshuo mining area, Shanxi Province, North China, between the China National Coal Development Corporation and the Island Creek Coal Company of the Occidental Petroleum Corporation of the United States.

Up to now, China has imported technology and equipment worth one billion U.S. dollars for the country's coal production, he said.

SHIPBUILDING INDUSTRY SAID EXPERIENCING 'BOOM'

OW281822 Beijing XINHUA in English 1233 GMT 28 Dec 82

[Text] Beijing, December 28 (XINHUA) -- China has built more than 300 ships, totalling 400,000 tons this year, said Feng Zhi, general manager of the China Shipbuilding Industry Corporation and the shipbuilding boom is expected to continue for the next three years.

Ships built this year included 36,000-ton and 27,00-ton bulk cargo carriers and 11,000-ton container ships.

Despite the sagging international market in shipbuilding, the general manager said, China has built ships for foreign buyers totalling 200,000 tons this year and confirmed orders for another 900,000 tons. In addition, the corporation has signed contracts with the Ministry of Communications ships totalling two million tons. Total tonnage to be built in the next three years is expected to reach three million, said Feng Zhi.

The corporation represents 26 shipyards and dockyards, nearly 100 ship accessory plants, research and design institutes and employs 300,000 people. It has branch offices in Guangzhou, Shanghai and Dalian.

General manager Feng Zhi said his corporation is building five offshore drilling rigs, including one semi-submersible platform. Among the five drilling rigs, one is built for a Singapore firm. Earlier, the corporation completed six jack-up rigs, three of which were built for firms in the United States.

Shanghai shipbuilders who produce 50 percent of the country's total tonnage, has signed contracts for 64 ships, totalling 600,000 tons, with ship-owners in West Germany, Italy, Romania, Norway, Singapore and Hong Kong. The Shanghai shipyard alone has accepted orders for 13 ships since 1980 and to date, eight have been delivered.

The general manager said that China's shipbuilding technology has much improved in recent years. Previously quite a number of diesel engines and marine accessory equipment had to be imported. Now, he said, China is able to produce marine engines as well as most accessory equipment and design large tonnage ships according to customers' requirements.

The corporation has 81 slips, the largest for 100,000-ton vessels and 26 docks, the largest for 50,000-ton vessels. The corporation will be able to contract for building of 100,000 to 150,000-ton vessels in the near future, the general manager said.

BANK TO INCREASE TECHNICAL TRANSFORMATION LOANS

OW241952 Beijing XINHUA in English 1525 GMT 24 Dec 82

[Text] Beijing, December 24 (XINHUA) -- The China Construction Bank has decided to extend in 1983 a total of 2,000 million yuan in loans for technical transformation of the country's existing enterprises, 800 million yuan more than 1982.

The decision was announced today at a work conference of the bank now in session in Beijing. The loans will be used to help key industrial and communications enterprises start energy-conservation projects, upgrade their technological level, try out new products to replace obsolete ones and increase the output of badly needed products.

China stresses the need to achieve industrial growth mainly by transforming the existing enterprises, rather than building new ones.

There are 400,000 industrial and communications enterprises in China.

FUJIAN'S XIANG NAN ON PROMOTING INTELLECTUALS

OW251426 Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 23 Dec 82

[Text] According to a report by this station's reporter, in a speech at an organization reform meeting held recently by the provincial party committee, Fujian Provincial CPC Committee First Secretary Xiang Nan stressed that it is necessary to boldly promote large numbers of young and outstanding intellectuals to leading posts. Comrade Xiang Nan said: Organization reform is a revolution. At present, there still exists serious resistance to promoting a large number of cadres who are intellectuals in the prime of life to leading squads. Such resistance comes mainly from a prejudice of despising knowledge and intellectuals. Now is the time for awakening.

He said: Intellectuals, like workers and peasants, are a force for our party to rely on. Do not regard lack of knowledge as an honor, because such an attitude is a misunderstanding of communism. The four modernizations are connected with intellectuals, and the four modernizations can only be achieved with knowledge.

He said: At present, there is no lack of cadres. If only we can correctly treat intellectuals; change the past old methods of selecting and promoting intellectuals; lay our eyes on schools, plants and scientific research organizations; and select and promote intellectuals from among the more than 230,000 university and professional school graduates brought up throughout the country since the founding of our country; and only if such a knack is applied, will large numbers of outstanding cadres emerge like water from a fountain.

Comrade Xiang Nan said: We should grasp organization reform on one hand and economic construction on the other. We should especially grasp production work for the first quarter of next year well, in order not to miss either production or reform.

FUJIAN, NATIONAL FIGURES MOURN XU YA'S DEATH

OW231317 Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 22 Dec 82

[Text] According to FUJIAN RIBAO, Comrade Xu Ya, former deputy to the Fifth NPC, adviser to the Fujian Provincial CPC Committee, secretary of the provincial party committee and vice governor of the provincial people's government, died of a heart attack despite all treatment in Shanghai on 19 November 1982 at the age of 67.

After Comrade Xu Ya's death, his close relatives asked, according to his thinking and style before his death, that his funeral arrangements be made on the principle of simplicity and that no memorial meeting be held for him. Showing respect for his close relatives' opinion, the provincial party committee, the Standing Committee of the provincial people's congress and the provincial people's government decided to make funeral arrangements for Comrade Xu Ya according to the principle of simplicity.

Comrade Xu Ya's remains were cremated in Shanghai on 22 November, and his ashes were brought to Fuzhou by (Zhang Yimin), secretary general of the provincial party committee, and his close relatives on 21 December. Meeting Comrade Xu Ya's ashes at the railway station were Xiang Nan, Ma Xingyuan, Hu Hong, Jin Zhaodian, Wu Hongxiang, Cheng Xu, Jia Jiumin, Wei Jinshui and Yuan Gai, responsible comrades of the provincial party committee, the Standing Committee of the provincial people's congress, the provincial people's government or the provincial CPPCC Committee, Zhu Shaoqing and Cong Dezi of the Fuzhou PLA units and the provincial military district, and Zhang Jizhong of Fuzhou Municipality.

Comrade Xu Ya's ashes will be buried in the (Wenmingshan) cemetery.

The NPC Standing Committee, the Organization Department of the CPC Central Committee, the General Office of the State Council, the Ministry of Forestry, the Fujian Provincial Party Committee and People's Government, the Shanghai Municipal Party Committee and People's Government, the Jiangsu Provincial Party Committee and People's Government and the party committee of the Fuzhou PLA units sent funeral wreaths for Comrade Xu Ya.

Comrades Wei Guoqing, Fang Yi, Chen Pixian, Bo Yibo, Huang Kecheng, Peng Chong, Zhang Aiping, Yang Chengwu and Liao Zhigao as well as (De Xihou), a friend of Comrade Xu Ya, sent messages of condolence or wreaths to Fuzhou over his death. They expressed their deep grief over Comrade Xu Ya's death and deep sympathy to his close relatives.

Paying their last respects to the deceased were Ye Fei, who happened to be in Shanghai; Chen Guodong, Wang Daohan, Han Zheyi, Xin Yuanxi, Yang Di, Di Jingsiang and other leading comrades of the party and government organizations in Shanghai; and Comrades Xiang Nan, Ma Xingyuan, Yuan Gai and Wen Fushan, who made a special trip to Shanghai for this purpose. They also expressed deep sympathy to the close relatives of the deceased.

XU JIATUN AT JIANGSU FAMILY PLANNING MEETING

OW261810 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 23 Dec 82

[Excerpts] The Jiangsu Provincial meeting of representatives of advanced collectives and workers in family planning opened in Nanjing on 23 December. Present at the opening session were leading comrades of the provincial party committee, people's congress Standing Committee, people's government and CPPCC Committee. They included Xu Jiatun, Liu Lin, Han Peixin, Zhou Ze, Xu Fang Heng, Dai Weiran, Zhou Yifeng, Gong Weizhen, Wang Haisu, Chen Yusheng and Wang Jingqun. Also present at the meeting were leading comrades of the Nanjing PLA units and the Jiangsu Military District, including Wang Jingmin, Lin Yousheng and Liu Xuanting. Zhou Yifeng, Standing Committee member of the provincial party committee and vice governor of Jiangsu, presided over the opening session.

The meeting's participants included 440 representatives of advanced collectives and 258 advanced workers in family planning from various urban and rural areas in Jiangsu. Comrade Zhou Yifeng read a decision of commendation made by the provincial people's government. The provincial leading comrades then awarded silk banners and citations to the representatives. Comrade Zhou Ze, secretary of the provincial party committee and vice governor of Jiangsu, addressed the opening session.

Zhou Ze emphasized: Family planning is a basic policy of our state. Population control has a very important bearing on whether we can make the people well-to-do by the end of this century.

Therefore, we should unfold a campaign to emulate the advances through the province, continue to whip up favorable public opinion and carry out family planning propaganda month activities -- scheduled for the period from the approaching new year's day to the spring festival -- well. We should make family planning known to everyone, promote the general practice of late marriage, late childbearing, fewer births and eugenics, and lay a solid foundation for creating a new situation in family planning in the province. Various departments of the party committees and governments at all levels and the trade unions, CYL committees, women's federations, scientific and technical associations and other mass organizations should play a positive role in family planning.

In conclusion, Comrade Zhou Ze said: [Begin recording] Comrades, I hope that you strive together to make this meeting a success, march in the direction pointed out by the 12th National CPC Congress, work hard with one heart and one mind and with greater vigor to overcome difficulties, strictly and effectively control population growth and make it compatible with our economic and social development, and contribute to promoting our socialist modernization. [end recording]

SHANDONG PROVINCE MAKES LEADERSHIP CHANGES

SK290008 Jinan Shandong Provincial Service in Mandarin 2300 GMT 28 Dec 82

[Text] The 19th Standing Committee meeting of the 5th provincial people's congress was held at the conference hall of the (Nanjiao) guest house on the morning of 28 December. In accordance with a proposal of the Shandong Provincial CPC Committee, the meeting appointed Comrade Liang Buting [first secretary of the Qinghai Provincial CPC Committee] acting governor of Shandong Province.

Zhao Lin, chairman of the provincial people's congress Standing Committee, presided over the meeting. Comrade Su Yiran first read a proposal of the provincial CPC Committee at the meeting. The proposal says: The CPC Central Committee has decided to appoint Comrade Su Yiran, secretary of the Shandong Provincial CPC Committee, to take over Comrade Bai Rubing's work [presumably elevating Su Yiran to first secretary]. He will no longer hold the post of governor. The provincial CPC Committee proposes that Comrade Liang Buting, secretary of the provincial CPC Committee, take over the post of governor of Shandong Province on an acting basis.

Committee members participating in the meeting held a vote on the proposal of the provincial CPC Committee. They unanimously adopted the decision of the provincial people's congress Standing Committee for appointing Comrade Liang Buting acting governor of Shandong Province.

Comrade Liang Buting attended the meeting and said he will follow the leadership of the party Central Committee and the provincial CPC Committee, rely on the support of the masses and accept their supervision and make concerted efforts with them to successfully carry out his work so as to be worthy of the trust of the masses of Shandong Province.

Vice Chairmen of the provincial people's congress Standing Committee Zhao Feng, Li Yuang, Chen Lei, Zhu Benzhen, Zhang Fugui, Zhou Zhijun, Wang Jiechen, Wang Baomin and Liu Gan attended the meeting. (Liang Desan), president of the provincial Higher People's Court; Lu Shengyun, chief procurator of the provincial People's Procuratorate; and responsible comrades of the provincial government attended the meeting as nonvoting members.

Liang Buting Acting Governor

SK290105 Jinan Shandong Provincial Service in Mandarin 2300 GMT 28 Dec 82

[Text] The following is a decision of the Shandong Provincial People's Congress Standing Committee on appointing Comrade Liang Buting acting governor:

In view of Comrade Su Yiran's change of work and in accordance with a proposal of the Shandong Provincial CPC Committee, the Fifth Shandong Provincial People's Congress Standing Committee decided at its 19th meeting to appoint Comrade Liang Buting to take over the post of governorship of Shandong Province on an acting basis.

SHANDONG: BAI RUBING ATTENDS CONGRESS SESSION

SK280502 Jinan Shandong Provincial Service in Mandarin 2300 GMT 27 Dec 82

[Text] According to our reporters, after a 7-day meeting, the fifth session of the fifth provincial people's congress, following the successful fulfillment of its fixed tasks, concluded at the Bayi Auditorium in Jinan Municipality in the afternoon of 27 December.

The session called on workers, peasants, intellectuals and the broad masses of cadres throughout the province to resolutely implement the correct guidelines, principles and policies set forth by the 12th CPC Congress and the resolutions adopted at the 5th session of the 5th National People's Congress and to deeply study and enforce the new constitution in an all-round way. The session also called on them to enhance their spirit, to make progress by paving new roads and to do their work in a down-to-earth manner in order to enable all fronts and work to have a new look, a new start and new progress and to enable all fronts to be able to strive to create a new situation in socialist modernization.

Bai Rubing, executive member of the session's presidium, presided over the closing ceremony. During the session, participating deputies unanimously approved the resolution on the work report given by the provincial people's government; the resolution on the 1983 provincial plans for the national economy and social development; the resolution on the work report given by the provincial people's congress Standing Committee; the resolution on the work reports given by the provincial Higher People's Court and by the provincial People's Procuratorate; the resolution of the deputy quota and electoral affairs for the sixth provincial people's congress; and the work report given by the session's Motions Examination Committee on motion examinations.

After fulfilling all the tasks on its agenda at 1530 that afternoon, the session closed with the majestic national anthem.

Also attending the closing ceremony were executive members of the session's presidium, including Zhao Lin, Gao Qiyun, Chen Lei, Zhang Zhusheng, Yang Jieren, Zhu Benzhen, Zhang Fugui, Zeng Chengkui, Zhou Zhijun, Wang Jiechen, Wang Baomin and Liu Gan.

SHANGHAI'S CHEN GUODONG ON 1983 PRODUCTION PLANS

OW251422 Shanghai City Service in Mandarin 2300 GMT 21 Dec 82

[Text] The Shanghai Municipal CPC Committee and People's Government held a cadres meeting on 21 December calling on the various units of the entire city to start early in trying to fulfill next year's industrial and agricultural production plans and take effective measures to ensure the attainment of the 4 percent increase planned for this year's output and the fulfillment of production plans for the first quarter of next year.

Leading Comrades Chen Guodong, Wang Daohan, Han Zheyi, Yang Shifa, Chen Jinhua, Yang Kai and (Qi Yuanxi) of the municipal CPC Committee and government attended the meeting.

Initial measures have already been worked out by the city's various departments in accordance with plans for production increases next year. Representatives from the municipal commissions for planning, economic affairs and urban construction; the municipal bureaus of finance, foreign trade and commerce; the municipal import-export office and the municipal investment and trust company offered their views on production planning, industrial output, economic results, urban construction, export and circulation of commodities.

Comrade Tie Ying emphatically pointed out: The stress in family planning should be placed on the rural areas. Party organizations at various levels in the rural areas must pay close attention to family planning. They should institute a responsibility system in both family planning and agricultural production. While doing a good job in carrying out ideological education, all localities should take effective measures for strict control of second childbirths by couples.

It is necessary to promote late marriage and late childbirth and to unswervingly implement the principle of one couple, one child. The idea of regarding men as being superior to women must be opposed. Under no circumstances must anyone be allowed to drown a female baby or maltreat a woman who has given birth to a female baby.

Comrade Tie Ying called on Communist Party and CYL members and cadres at various levels to play an exemplary role in practicing family planning.

Vice Governor Liu Yifu presided over the meeting.

BRIEFS

SHANDONG QINGDAO PORT -- Shandong Province's Qingdao port, an important foreign trade port of China, again scored achievements in production after prefulfilling by 81 days the annual freight handling task. By 16 December, the port had loaded and unloaded some 20.4 million tons of import and export goods, a record. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 16 Dec 82 SK]

SHANDONG AFFORESTATION -- Heze Prefecture, in Shandong Province, has paid great attention to winter afforestation. By the end of November, the prefecture had afforested stretches of trees on 7,670 mu of land, planted 230,000 mu of tree belts around farm plots and planted 1.09 million trees alongside houses, villages, roads, and water. The total number of trees planted was double that in the corresponding 1981 period. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 13 Dec 82 SK]

FURTHER ON GUANGDONG LEADERS ON HONG KONG, MACAO

HK270638 Beijing ZHONGGUO XINWEN SHE in Chinese 1331 GMT 25 Dec 82

["Ren Zhongyi Tells Hong Kong Compatriots Not To Worry" -- ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 25 Dec (ZHONGGUO XINWEN SHE) -- The winter solstice has just passed. However, in Guangzhou, it is as warm as in spring. In the conference room on the 7th floor of the Liu Hua [3177 0553] guest house, more than 60 Hong Kong and Macao deputies and members to the Fifth Session of the Guangdong Fifth Provincial People's Congress and the Fifth Session of the Fourth Provincial CPPCC gathered. Ren Zhongyi, first secretary of the Guangdong Provincial CPC Committee, and Liu Tianfu, governor of the Guangdong Provincial People's Government, visited them and heard their opinions. In addition, they freely expressed their views on certain questions. Ren and Liu frequently gave witty remarks. The conference room was filled with a joyous atmosphere.

Hu Dizhou asked: "Is the construction of a nuclear powerplant in Guangdong based more on economic considerations, or on political interests?"

Liu Tianfu replied: "Principally, it is the economic aspect. The nuclear powerplant built in Guangzhou will have a capacity of 1.8 million kilowatts. When construction is finished, the plant will contribute greatly to Guangdong's energy supply. In the future, if we build more hydroelectric powerplants and combine them with the hydroelectric powerplant on the Hongshui He River in Guangxi to form a power network, Guangdong will be quite abundant in energy resources. This will play an important role in the development of Guangdong's agriculture and industry and in stabilizing the mood of the people of Hong Kong.

Hu Dizhou: "Some people believe the cost of electricity supplied by the nuclear powerplant will not be low."

Liu: "The cost of production of a nuclear powerplant is lower than that of a coal or an oil powerplant. Accounts have been worked out."

"The construction of the nuclear powerplant will not cause safety problems for Hong Kong."

Ren Zhongyi: "Even for those people working in the nuclear powerplant, the radiation dosage they receive will not be greater than that which one receives during an x-ray examination in a hospital. Anyone who has had an x-ray examination before should not be afraid of nuclear powerplants. (laughter)

Liu: "The nuclear plant will not be built along Da Peng Bay. The land along Da Peng Bay is a treasure land. We will not permit the factories nearby to drain their polluted water into the sea to affect the Mei Sha Islands. In the future, we are going to build high-class bathing beaches there. The nuclear power station will be built along the Daya Bay, which is separated from Hong Kong by the Da Peng Bay Peninsula. It is far away."

Ma Tingdong: "Having heard Governor Liu's report on the government's work, I feel that Guangdong's economy is in excellent shape. Guangdong's industrial and agricultural production is very good; its features change with each passing day. This will play a role in stabilizing the mood of the people in Hong Kong and Macao. At present, there are people in Hong Kong who are concerned about the future. However, very few people really want to leave."

Ren Zhongyi: "A gentleman merely talks but does not leave. Now, the whole world is experiencing economic depression, but only in China is the scenery beautiful. If China, including Guangdong, is fine, Hong Kong and Macao will be fine too."

"As in the Hong Lake, the waves behind drive on those before, so we can do better each year.' In the future, as long as we do our work better and better every year, we will play an important role in stabilizing the mood of the people in Hong Kong and Macao."

Tao Kaiyu suggested a special passageway for entering and leaving the special zone be established at customs in Gongbei. He said: "There is much progress at customs; however, in passing in and out, the formalities are still inconvenient. People have been talking about this for many years."

Ren Zhongyi: "When the demarcation line between the special zone and the ordinary zone is established, 'It should be relaxed at the front door but tight at the back; the formalities will be simple and convenient.' That means, it will be relaxed if one enters the special zone from or leaves the special zone for Hong Kong and Macao but tight if one enters the special zone from the interior."

Liu Jinqing talked about organizational reforms. He said: "The provision that 'the prefectures be combined with the municipalities where the seats of the prefectures are located, is very good. We are the ones who are 'married off;' every time we return to our 'parent's home' (Mei County), we find disputes over trifles. The prefecture, municipality and county of Mei County have organs in Meizhou. Originally, there was only one 'parent's home;' suddenly, there are three. It is difficult to do anything."

Ren Zhongyi: "It has become the 'lady san who taught her son' then. (laughter) There are four banks in Shaoguan Prefecture and another four in Shaoguan Municipality. This is repetition and it is not very scientific."

Situ Hui: "The overseas Chinese and the compatriots of Hong Kong and Macao who donate facilities to their native places are taxed. People are disgusted with this. Is it possible that they can be freed from it?"

Liu Tianfu: "The question you bring up is very important. I have taken note of it and we will mention it to the higher authorities. I do not think we should adopt an attitude of uniformity in handling the donated goods by indiscriminately taxing them. Many things should not be taxed. Let us make an investigation."

Finally, in bidding farewell to the deputies and members, Ren Zhongyi said: "I always have had the impression that the deputies of Hong Kong and Macao have strong patriotic feelings, that they are concerned about and want to contribute to the construction of their motherland and native places. Our state has just promulgated its constitution. In the future, there will be no supreme directives' that are placed above the constitution. The political situation in our country will be more stable and the policies steadier. The cadres and the masses will be firmer in their confidence. The Central Committee has accumulated tens of years of experience. They deeply understand that in order to make a success of the construction, it is necessary to adhere to the open-door policy and the policy of revitalizing the domestic economy. This point will not be changed in the future. As long as we pool the wisdom and efforts of everyone, draw on collective wisdom, absorb all useful ideas and work in full cooperation and with unity of purpose, we can certainly create a new situation in the socialist modernization very soon. The compatriots of Hong Kong and Macao should not worry. The old saying goes: 'Decamping is the best of the 36 stratagems; However, on the Hong Kong issue, I think the saying should go in the opposite direction: 'Decamping is the worst of the 36 stratagems.'"

HEBEI: GAO YANG ON DEVELOPING INDUSTRY

HK290815 Shijiazhuang HEBEI RIBAO in Chinese 18 Dec 82 p 1

[Report: "Comrade Gao Yang Recently Pointed Out **That** County CPC Committee Secretaries Must Pay Attention to Grasping Industry"]

[Text] Gao Yang, first secretary of the Hebei Provincial CPC Committee, recently pointed out that secretaries of the county CPC committees must pay attention to grasping industry. Increases in county revenue essentially depends on the development of industry.

Comrade Gao Yang made this statement at a forum held among some of the secretaries of the county CPC committees of Handan Prefecture. He pointed out that without industry a county can hardly increase its revenues. The development of agriculture cannot provide a county with great finances. When peasants become rich, this does not mean there is an increase in county revenue. Some of our comrades do not have wide vision and their thinking lags behind the present situation. We should not look at one county or at agriculture only. Doing so can hardly create a situation. If there is no machinery, it will be impossible to modernize agriculture. In the past, agriculture was not good enough because of the practice of "eating from the same pot and receiving equal benefits." Thanks to the system of contracting responsibilities on the specialized household basis our agriculture has now improved. However, we should achieve further progress in agriculture, so it should be developed with modern science and technology.

Comrade Gao Yang also said: To grasp industry, we must have knowledge of it and know how to run it. Leaders of a county must be quite aware of the local, basic situation and must know how to manage financial affairs. To this end, we can read a few books to acquire knowledge of industry and talk with workers to get to know factory backgrounds, the production cost of products and the problems of product supply and marketing so that we can have at our command the ins and outs of things. Leading comrades of a county should not be utterly ignorant of industry. Of course, we should not develop industry blindly. We have suffered a lot from "rash advance." We should not make the same mistake again in managing industry. However, if there are already certain favorable conditions, we may proceed. I advise all comrades to read newspapers and journals often in order to gain wide vision and be well informed. If anyone has not subscribed to a newspaper, he must do so right now. It is better to subscribe to more than one kind of newspaper. It is worth spending such money. Comrade Gao Yang also pointed out that counties should pay attention to grasping commercial reforms to make commodities flow smoothly. At the same time, attention must be given to giving play to the role of intellectuals and making a success of running primary and middle schools.

TIANJIN: CHEN WEIDA ATTENDS PEOPLE'S CONGRESS

SK241228 Tianjin City Service in Mandarin 0030 GMT 24 Dec 82

[Excerpts] On the afternoon of 23 December, the ninth municipal people's congress ceremoniously opened its fourth session at the auditorium of the Tianjin guest house. The session is chiefly aimed at hearing the report given by the municipal people's government on the implementation of the 1982 work plan; hearing and examining the work report given by the municipal people's congress Standing Committee; discussing and approving the preparations for convening the 10th municipal people's congress, the resolution of studying, publicizing and implementing the new PRC Constitution and the resolution of implementing the Sixth 5-Year Economic Plan, the 1983 plan for the national economy and the plan for social development; and at electing a new mayor.

Yan Dakai, executive chairman of the session, presided over the opening ceremony. At 1500, he announced the opening of the session.

The executive chairmen of the session also include Chen Weida, Huang Zhigang, Yan Dakai, Liu Gang, Wang Enhui, Lu Da, Wang Peiren and Yang Jianbai. All executive members of the session's presidium were seated on the rostrum. Attending the session were 756 deputies. Specially invited representatives attended as observers.

Attends Closing Session

SK570934 Tianjin City Service in Mandarin 0030 GMT 27 Dec 82

[Text] After a 4-day session and following the successful fulfillment of various items in its agenda, the fourth session of the ninth municipal people's congress concluded on the afternoon of 26 December. The session elected Li Ruihuan as the municipality's mayor and approved four resolutions and three letters of greetings and commendation. The session urged the residents across the municipality, in fulfilling various combat tasks for 1983, to enhance their unity and to unite as one to strive to achieve still greater victory in the grand program of building Tianjin into a new beautiful city with a highly developed civilization.

Yan Dakai, executive chairman of the session, presided over the closing ceremony. At the session held on 26 December, participants first approved regulations for electing the Tianjin municipal mayor and the namelists of the chief ballot supervisor and the ballot supervisor. By adopting a secret ballot, deputies happily voted for the municipal mayor. Attending the vote were 774 persons in all. When the results of the balloting were announced, Li Ruihuan had been elected the municipality's mayor. As soon as the announcement was made, the entire hall resounded with warm applause. Following the election, the session approved the resolution on the work report given by the municipal people's congress Standing Committee; the resolution on studying, publicizing and implementing the PRC's Constitution; the resolution on resolutely implementing the Sixth 5-Year Economic Plan and the 1983 plans for the national economy and social development; and the resolution on the deputy quota and electoral affairs for the 10th municipal people's congress. The session also approved the letters of greeting and commendation to all PLA commanders and fighters who took part in the construction of the project of divert Luanhe River water to Tianjin, to all people who engaged in obligatory labor for the project, and to personnel and technicians who took part in the construction of the overpass along the Shiyijing road.

The session closed amid the solemn national anthem. Attending the closing ceremony were executive members of the session's presidium, including Chen Weida, Huang Zhigang, Yan Dakai, Liu Gang, Wang Enhui, Li Huasheng, Zhou Shutao, Cao Xikang, Lu Da, Wang Peiren, Yang Jianbai, Fan Quan, Xu Ming, (Liu Qing), (Li Zhanxian), (Yu Chengzhu), (Li Ming) and (Xu Shiqing).

Attending the session held on 26 December were 774 deputies. Attending the session as observers were responsible persons from various departments and units under the municipal level leading organs.

DEFENSE INTELLIGENCE CHIEF VIEWS U.S.-PRC TIES

OW281425 Taipei International Service in English 0100 GMT 28 Dec 82

[Text] In Taipei, the intelligence chief of the Ministry of National Defense, (Chiang Shih-chi), told a full meeting of the Planning Commission for the Recovery of Mainland China that in the foreseeable future the United States and Communist China will not conclude a military alliance and U.S. weapons sales to Communist China may be maintained at the current level, on a case-by-case basis, mostly for self-defense.

(Chiang) pointed to the fact that since the Chinese Communists are adopting a quasi open-door policy which enables democratic thought to take root in Mainland China, the Communist pet policy of news blackout and persecution could not possibly stop the democratic movement. He emphasized that from Wu Jung-ken to Dr Wang Ping-chang it can be safely predicted that internal political strife will continue on Mainland China for the next 5 years [passage as heard] and the economy there will still be in a mess and social unrest will increase in intensity.

5.5 PERCENT ECONOMIC GROWTH RATE SET FOR 1983

OW280615 Taipei CHINA POST in English 24 Dec 82 p 12

[Text] The Executive Yuan yesterday approved the 1983 Taiwan economic construction plan, which aims at an economic growth rate next year of 5.5 percent. This figure includes a rate next year of 5.5 percent. This figure includes a rate of two percent in agriculture, 5.4 percent for manufacturing industries and a growth rate of 5.8 percent for service industries.

Premier Sun Yun-hsuan yesterday announced that since there is expected to be no international economic recovery next year, the government plans to guide major investments and to actively encourage private investment, and hopes that the related authorities will be able to execute this plan to promote more optimistic progress and economic growth.

Next year will mark the second year of a four year economic plan, which contains two major features. The first is to emphasize the need for short-term economic recovery and the second, the need for the long-term improvement of economic structures.

According to the draft plan, the major economic aims of the 1983 economic development include the attainment of an economic growth rate of 5.5 percent. As far as commodity prices are concerned, it is hoped that inflation will not exceed 5 percent. The target growth rate for the export of goods and services is set for 4.1 percent, and the growth rate for imports at 5.4 percent. The GNP, which in 1982 was calculated at NT\$1824.2 billion, is expected to rise to NT\$1924.6 billion in 1983.

The per capita income in 1982 was reckoned at NT\$99,804 (U.S.\$2,543), which is expected to reach NT\$17,742 (U.S.\$2,694) in 1983.

The total amount of trade, including goods and services, in 1982 was U.S.\$45.7 billion which should rise by 6.76 percent in 1983 to U.S.\$48.8 billion. This includes exports of U.S.\$24.2 billion expected to rise next year to U.S.\$25.7 billion, a rise of 6.2 percent. Imports in 1982 were calculated at U.S.\$21.5 billion, with an estimated rise next year of 7.44 percent to U.S.\$23.1[billion].

WEN WEI PO ON PRC ENTERPRISE READJUSTMENT

HK290807 Hong Kong WEN WEI PO in Chinese 28 Dec 82 p 3

["News From Beijing": "Authoritative Source Stresses Completing Structural Rationalization; China To Continue Enterprise Readjustment"]

[Text] According to an authoritative source, China will continue to readjust enterprises next year. There are two meanings of readjustment. The first refers to curtailing capital construction and readjusting the proportions of agriculture, light industry and heavy industry, the proportions of accumulation and consumption and so on. Readjustment in this respect has basically been accomplished through the efforts made in the past and the results were good. The second, that is, the readjustment of the present stage, means to further readjust. It refers mainly to readjusting the organizational, product and technical structures of enterprises, so that they can become more rational.

This authoritative person says: The organizational structure of enterprises at present is irrational. The so-called "long term," "short term," duplicated construction and manufacturing, rejecting the fine with the inferior, discarding the advanced with the backward and so on have brought rather bad results to the entire social economy and caused great waste. We must determine in the following 3 years to further readjust the structure of enterprises. We must close down those enterprises that must be closed down, merge and transfer those enterprises that must be merged and transferred and gradually rationalize the organizational structure of enterprises. Only in this way can we achieve good economic results and rapid speed during the next 5-year plan. From a certain point of view, the closing down, merging and transferring of enterprises is far more difficult than the readjustment carried out in the past 2 years, but this "hard nut" must be cracked and we must pass through this barrier. Leading cadres at various levels must deepen their understanding and do a good job in this respect.

Further dispatch: On the national work forum to reorganize the labor organizations of enterprises held on 26 December, the person in charge of the State Planning Commission pointed out: We must regard the reorganization of labor organizations as a strategic task and make it effective. He said: The CPC Central Committee and State Council have determined to regard the reorganization of labor organizations and arranging production according to a fixed number of staff and fixed quotas as the focus of work in the overall reorganization of enterprises. This is put forward for the long-range plan of enterprise building and also aimed at the outstanding problems in enterprises in China at present.

On relations between reorganizing labor organizations and upgrading economic results, he said: According to the investigations made in some provinces, municipalities and departments, the enterprises are generally over-staffed by 10-15 percent and some even over 30 percent. The utilization ratio of working hours are only around 50 percent and some even less than 30 percent. The level of labor quotas of many enterprises are rather low and have not reached an all time high. How can the economic results be upgraded if this state of affairs is not fundamentally transformed?

This responsible person continued to say: Among the various items of reorganization work at present, the speed of reorganizing labor organizations is rather slow. All localities and departments must place the work of reorganizing labor organizations on the top order of the day, with principal leaders personally taking a hand in the work. He said: We must reorganize labor organizations and provide employment in accordance with the principle of overall consideration.

MACAO GOVERNOR CITED ON RELATIONSHIP WITH CHINA

HK290152 Hong Kong HONG KONG STANDARD in English 29 Dec 82 p 16

[Text] Macao: The governor, Rear Admiral Vasco Almeida e Costa, said that Macao enjoyed excellent relationship with China. He was speaking in a recent interview with DIARIO POPULAR, one of Portugal's largest evening newspapers.

The governor spoke on the different status of Hong Kong and Macao, and on other aspects of the city's industries, investment opportunities, economic outlook, Portuguese culture, the gambling concession and, finally, to local problems regarding employment and housing.

He pointed to the dissimilarities in the status of both places based mainly on the legal definitions for Macao and Hong Kong. "Hong Kong is a colony with all the consequences attached to this in the political and economic fields, whereas Macao is a territory under Portuguese administration.

"From that definition it can be inferred that during a certain period of time -- which we may suppose will be long -- responsibility for managing Macao's affairs will be based on the converging viewpoints of China and Portugal.

"And this will make the administrative framework viable, i.e., between China and Portugal," he said. The governor said, however, that from a practical point of view it had to be admitted that any change in Hong Kong's status could lead to some changes in Macao's own situation, in form but not in essence.

Hong Kong's evolution, he said, had been extremely favourable to Macao's development needs. "If we cannot put aside the fact that China and Portugal may, in future, come to a different solution about Macao, we also do not see any signs to the contrary," he said.

Admiral e Costa, who has been Macao's governor since June 16, 1981, said he was satisfied with the relationship between Macao (and certainly Portugal) and China which "is indeed an excellent one." "Since I came to Macao, there has been frequent contacts with China and the dialogue has always been frank and fruitful.

"This is largely due to Macao's privileged status and also because of our present unpretentious and unprejudiced policy towards Macao's economic development which enhances the good relations between us," he said.

He also referred to China's importance and the weight of Hong Kong's economic and financial power when he was asked what potentials Macao had to offer investors from Portugal. Notwithstanding the great expectations of the past and unrealistic hopes for the success of Portuguese investments in the future, he said the territory offered good possibilities to certain types of entrepreneurs.

But this was essentially on the premise that Macao acted as a support base for certain Portuguese enterprises in helping them find access to the East, provided they have the marketing and competitive know-how to move within this area, he said. "The penetration of Portuguese exports and products to the Far East and elsewhere," he said, "would only be successful through the setting up of trading companies."

"Macao and the Far Eastern countries can be regarded as possibilities for Portuguese investment, but we have to move with a realistic grasp of our interests, our national pride and the possibilities that are there."

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